

# Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper

R

London, Thursday, January 8, 1998

No. 35,723

## Market Turmoil Raises Fears of Debt Moratorium

By Michael Richardson  
International Herald Tribune

SINGAPORE — Currencies in Indonesia, Thailand, Malaysia and the Philippines tumbled to record lows Wednesday, bringing closer the specter of large-scale corporate defaults and layoffs, and dragging down stock markets from Southeast Asia to Europe and the Americas.

The currencies of the four countries have now hit record lows on each of the trading days of the new year, with no end in sight, despite signals from fi-

nanial officials that they would intervene to protect their currencies.

Analysts said that the downward spiral in currency values was undermining confidence in the ability of governments to restore stability.

"We have seen a major wave of foreign capital flight from Southeast Asia," said Simon Ogun, chief economist for Asia in the Hong Kong office of SBC Warburg Dillon Read. "Now we are seeing domestic capital flight. People just don't trust their policy-makers in sorting this mess out."

Some bankers and economists said

that if the downward currency spiral continued, Indonesia and Thailand — the region's two most heavily indebted nations — might be forced to declare a moratorium on repaying private-sector debts, which total more than \$150 billion, to save many companies from going bust. Much of the money is due to be repaid this year.

But other analysts said that as plunging local currencies made it increasingly costly to repay dollar loans, companies were simply refusing to

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The Dollar			
New York	Wednesday 4 P.M.	previous close	
DM	1.8258	1.8323	
Pound	1.6258	1.625	
Yen	131.855	133.625	
FF	6.104	6.1303	

The Dow			
Wednesday close	previous close		
7902.27	7908.25		

S&P 500			
Wednesday 4 P.M.	previous close		
964.00	966.58		

## Indonesia Endangers Its Rescue, Officials Say

By Paul Blustein  
and Sandra Sugawara  
Washington Post Service

The \$43 billion international rescue plan for Indonesia's economy is in danger of coming unstuck, government officials and private analysts warn, as the nation's currency plunges to record lows daily, and its government insists on a budget that fails to meet targets set by the country's creditors.

Indonesia's troubles are the latest sign that Asia's financial crisis is worsening despite more than \$100 billion in international bailouts that have been mustered by the International Monetary Fund for several of the region's once-prosperous economies.

The currencies of Indonesia, Thailand, Malaysia and the Philippines tumbled again Wednesday and have now hit lows on each trading day of the new year. This relentless turmoil in Asian markets is intensifying worries that the IMF-led rescue is failing to reverse the region's slide toward economic and political chaos.

South Korea's \$57 billion bailout, the biggest ever, had to be strengthened two weeks ago because capital was continuing to flee the country, forcing the IMF and the world's richest countries to speed loans to Seoul ahead of schedule. The free fall of the rupiah is raising the prospect that Indonesia's rescue package will also have to be supplemented or altered in some significant way.

IMF officials acknowledged Monday that the Indonesian situation was becoming particularly worrisome, but



Passers-by tracking the tumbling Hang Seng index on a monitor in Hong Kong on Wednesday. It ended with a loss of nearly 6 percent.

they said the Jakarta government was mainly at fault for failing to follow through on pledges to restructure the nation's economy.

Clinton administration officials, who have been heavily involved in designing the IMF packages, hold similar views, although they have declined to be quoted.

"We would like to see the senior leadership in Indonesia stand up and be counted on the reforms," a senior IMF

official said. "I think the markets are asking themselves the question of just how much the senior Indonesian leadership is committed to this program."

Particularly, he said, they want to see the commitment to the major reform measures that affect the family of President Suharto. A number of Mr. Suharto's relatives own or control companies that would lose lucrative

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## Asian Crisis Reaches Out To Stagger Hong Kong

By Keith B. Richburg  
Washington Post Service

HONG KONG — Southeast Asia's collapsing currencies and stock markets combined Wednesday to send Hong Kong share prices plunging, raising fears that Hong Kong could become the next domino to topple.

Few analysts here expected any letup from the huge selling spree as long as the region's currencies continued to crumble. This renewed doubts about whether Hong Kong would long be able to defend its currency's fixed exchange rate to the U.S. dollar, a peg that has allowed the territory to remain a relative bastion of stability for investors.

The Hang Seng index plummeted through the psychologically important 10,000-point barrier, ending the day at 9,538.61 for a loss of nearly 6 percent. The biggest losers were property companies, and the analysts said the huge drop was due mainly to concerted selling by big U.S. brokerage houses.

The Hong Kong drop followed similar declines in Singapore and Taiwan. The three had been seen as the three cash-rich economies that had successfully resisted the regional meltdown.

But as the manager of one local hedge fund put it Wednesday, "The second phase of the economic crisis in Asia is now unfolding."

Unlike a few months ago, when the Hong Kong index dropped below 10,000, analysts this time do not expect a quick rebound.

They said the huge drop Wednesday

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## Iranian President Sends U.S. Message

In Tone Unheard in 18 Years, Khatami Alludes to Better Ties

The Associated Press

TEHRAN — President Mohammed Khatami, in his first interview with a U.S. television network, is sending a message to Americans that Iran wants better relations after nearly two decades of hostility.

Aides who sat in on the taped interview, which was to be broadcast Wednesday night by CNN, said Mr. Khatami praised the American people several times and said citizens of the two nations should be brought closer together.

In an excerpt broadcast earlier Wednesday night by CNN, Mr. Khatami alluded to the possibility of improved relations.

"Firstly," he said, "nothing should prevent dialogue and understanding between two nations. Especially between their scholars and thinkers. Right now, I recommend the exchange of professors, writers, scholars artists journalists and tourists."

"A large number of educated and noble Iranians now reside in the United States as representatives of the Iranian nation," he continued.

"This shows there is no hostility between the two nations. But the dialogues between civilizations and nations are different from political relations. In regard to political relations, we have to consider the factors which led to the severance of relations."

"If some day another situation is to emerge, we must definitely consider the roots and relevant factors and try to eliminate them."

The aides who sat in on the taping said he also criticized U.S. leaders, saying they were to blame for the rift that followed the 1979 revolution that toppled the shah.

Other sources said Mr. Khatami's remarks were most notable for the tone and rhetoric he used, which they described as different from anything heard from an Iranian leader in 18 years.

The interview with CNN was the latest step by Mr. Khatami, a cleric who won a stunning victory in May, to seek rapprochement with the West.

At an Islamic summit meeting in Tehran in December, he said that the Muslim world needed to learn from Western civilization, especially its scientific and technological achievements.

He signaled this change in a news conference last month, when he called for "a thoughtful dialogue." He had added: "At the appropriate time, I will present my words to the American people."

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## U.S. Reviewing Sanctions Policy

Reuters

WASHINGTON — The State Department is starting a formal review of its sanctions policy, Stuart Eizenstat, undersecretary of state for economic affairs, said Wednesday.

The State Department hopes to find ways to make sanctions more effective in foreign policy, he said in a speech at the National Press Club.

Threatened or imposed U.S. sanctions against companies that do business in Cuba and Iran have been a major source of tension between the United States, its European allies and Russia.

Sanctions loom in a \$2 billion gas deal with Iran by the French energy giant Total SA.

Mr. Eizenstat said that legally mandated sanctions relating to arms transfers and nuclear proliferation would not be part of the review.

## South Africans To Try Botha For Thwarting Truth Panel

By Lynne Duke  
Washington Post Service

JOHANNESBURG — Pieter Botha, a former president of South Africa and one of the most hard-line leaders during the apartheid era, will be prosecuted for refusing to appear before the nation's Truth Commission and trying to hinder its work, an attorney general announced Wednesday.

The case marks the first time an apartheid-era head of state will be criminally prosecuted and the first time the Truth and Reconciliation Commission has brought charges against an unwilling witness.

The octogenarian former president, who is remembered bitterly by blacks here as the leader of the "total strategy" against them in the 1980s, has called the commission a "circus" and has defied a series of subpoenas to appear before it.

The Western Cape attorney general, Frank Kahn, said in Cape Town that the decision to prosecute "has weighed heavily on me."

"He is almost 82 years of age," Mr. Kahn said, "and no attorney general in any civilized country lightly decides to prosecute a person of this age, especially given Mr. Botha's medical history."

But after examining hundreds of pages of evidence submitted to him by both sides in the case, Mr. Kahn said he decided "that a prosecution in this matter is warranted — not only in law, but in the public interest."

Mr. Botha's scheduled court appearance on Jan. 13 in the coastal town of George could become the first act in a political trial like none other seen in this country, whose new leaders have tried to foster a spirit of racial reconciliation but have found Mr. Botha an unwilling partner.

Established after South Africa's first all-race election in 1994, the Truth Commission views him as a key witness on the human-rights abuses committed by security forces during his tenure as defense minister, prime minister and president in the 1970s and 1980s.

Under his leadership, the white minority-rule government threw its full military weight against opponents of racial separation at home and abroad in a campaign of covert killing and overt repression that evoked international condemnation.

The case will probably go well beyond the technicalities of what, in the United States, would be called contempt of court.

A legal source close to the case said the charge sheet was 750 pages long and included scores of the same questions and allegations awaiting him at the Truth Commission, a non-prosecutorial body.

"All the questions that would have been put to him by the Truth Commission will be put to him again" if he faces a court, the legal source said. "If I had the choice, I'd rather be questioned by them than by the court."

Mr. Botha provided answers to those questions in writing late last year, but Dumisa Nsebeze, the truth commission's charge of investigations, characterized the 1,700-page document as

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## Rome Killing Alarms Gay Community

Victim, a Volunteer Aide to the Pope, Is 19th in String of Slayings in '90s

By John Tagliabue  
New York Times Service

ROME — It might have been just another murder in a country where violence is not rare, except that the one who died in an apparent encounter with a gay lover-turned-assailant was a Gentleman of His Holiness, one of a select group of laymen who receive dignitaries when they arrive at the Vatican for audiences with the Pope.

The killing has served to lay bare an underside of this Italian capital, where few public figures will admit they are gay and where the Catholic Church wields its enormous influence to sustain widespread censure of any form of homosexual activity.

Most of all, though, the killing focused attention on an unsettling string of

murders of gay men, usually in their homes, that the government and the police have been unable to stop.

Enrico Sini Luzi, 67, a descendant of minor nobility, was the 19th gay male murdered in Rome since 1990 and the third in the last year. Of the 18 previous murders, only 9 have been solved and of those none was committed by the same person.

Franco Grillini, president of the national gay rights group, Arcigay, said the group estimates that between 150 and 200 gay men are murdered each year in Italy. The figure may be higher since many Italian families seek to conceal the circumstances of the violent deaths of gay relatives.

"We are by now in the face of a real and true national emergency," said Mr. Grillini, 42, a psychologist, by phone

from the group's headquarters in Bologna.

In a statement, Arcigay called the deaths the result of "social violence generated by homophobia" and called on the government to take action.

Government intervention was "absolutely necessary," the statement said, "to end this wave of homicides and to begin seriously removing obstacles that prevent all homosexuals from living a peaceful life in full safety."

The body of Mr. Sini Luzi, clad only in underwear but with a cashmere scarf wrapped around the neck, was found in his apartment Monday.

Friends of Mr. Sini Luzi, who had a tobacco store in the Prati neighborhood of Rome until he retired about 10 years

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## Standing By While Algerian Horror Mounts

By Brian Knowlton  
International Herald Tribune

WASHINGTON — The questions arise ever more insistently as the body count of Algerian horror mounts, the tally already higher than in many other conflicts.

Where is the international reaction? Where the thundering condemnations? Where the peacemakers, the conciliators? How can it be that the brutal

### 'Very Tough Situation' For the World to Help

rapes and killings of tens of thousands of Algerians have been so slow to touch the international psyche?

Officially, a growing list of countries has denounced the almost nightly killings. The toll since 1992, when the

### NEWS ANALYSIS

government canceled a general election in which radical Islamists held a commanding lead, is believed to be 80,000.

A fresh wave of bloodshed has brought to more than 1,000 the number killed in the last two weeks alone, including 62 announced Wednesday by the security services in Algiers.

Privately, many governments can only express their frustration at trying to help, to work with, even to talk to, an inward-looking Algerian government that has rejected their efforts with curt fury, slamming the door in recent months on an initiative by the UN secretary-general, Kofi Annan.

"Why hasn't there been a greater outcry?" said Bill Schulz, executive director of Amnesty International USA.

"That's the perfect question. With 80,000 people dead here, including mutilated babies, there's still been a lack of strong reaction from the international community."

Western powers, Mr. Schulz said, evidently fear that strong condemnations might risk destabilizing the situation in Algeria and furthering the spread of extremism. "Obviously we think that's a bad miscalculation," he said.

Western condemnation, however, has clearly had little effect on Algiers.

"The Algerians have rejected even the mildest comments as interference," said Robert Pelletreau, former U.S. assistant secretary of state for Near Eastern Affairs. "The Algerian government is very allergic to outside pressure."

"It's a very tough situation," Mr. Pelletreau said. "Any solution requires working with the Algerian government. But if you get the Algerian government against you from the beginning, you're

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## New on Thursdays: The Technology Page

Beginning today, the Herald Tribune is adding a weekly technology page to its lineup of regular features. Entitled TribTech, the new page focuses and broadens the paper's daily coverage of significant technological innovations.

TribTech has a demanding brief: to monitor and explain the advances that measure technological achievement. Fresh ideas, new applications, hot products — if they make a difference to business strategy, government policy or the way you spend your free time.

TribTech will tell you about them.

In addition, the page will include a weekly listing of the major technology stock indexes around the world. It will also index the important technology articles that have appeared in the paper in the previous week.

In the new lineup of the IHT's regular weekly features, the Health/Science page will appear on Mondays, along with the normal expanded Sports section.

The first TribTech page appears today, on Page 7.

## AGENDA

### Yemeni Forces Attack Kidnappers

SAN'A, Yemen (AFP) — Yemeni security forces on Wednesday launched an assault against tribal gunmen who kidnapped three South Koreans on Monday about 100 miles from San'a, a security official said.

Diplomats at the South Korean embassy were unavailable for comment, two days after the first kidnappings of the year in Yemen, where more than 100 foreigners have been seized over the past five years.



Terry Nichols in custody.

### Nichols Escapes Death Sentence

Terry Nichols, convicted of conspiracy in the deadliest terrorist attack ever carried out on U.S. soil, escaped the death penalty for the Oklahoma City bombing Wednesday after a federal jury in Denver failed to agree.

The judge will decide the penalty himself. Under federal law, a death sentence can be imposed only by a jury. U.S. District Court Judge Richard Matsch gave attorneys until Feb. 9 to file motions regarding the sentencing, but set no date for it.

Mr. Nichols could still wind up on death row because he faces trial in Oklahoma on state charges. Page 3.

### Plan to Clone Human

A Chicago scientist, G. Richard Seed, says that he has assembled a team of doctors that is prepared to clone a human being sometime before Congress bans the procedure, and that eight people have already volunteered to be cloned. Page 3.

Newsstand Prices

Bahrain	1,000 BD	Malta	55 c
Cyprus	€ 1.00	Nigeria	1200 Naira
Denmark	14.00 DKr	Oman	1,250 OR
Finland	12.00 FM	Qatar	10.00 QR
Gibraltar	€ 0.85	Rep. Ireland	IR £ 1.00
Great Britain	€ 0.80	Saudi Arabia	10 SR
EE 5.50	S. Africa	R12 + VAT	
Egypt	1,250 JD	U.S. Mtl. (Eur)	\$ 1.20
Kenya	€ 1.00	U.S. Mtl. (Eur)	\$ 1.20
Kuwait	700 Fils	Zimbabwe	Zim \$40.00



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Preserved by 'Plastination' / Morality of 'Anatomical Artwork' Exhibition Arouses Debate

## German Show Uses Corpses to Bring Alive the Body's Wonders

By Edmund L. Andrews  
New York Times Service

**M**ANNHEIM, Germany — Until recently, this mid-sized industrial city wasn't known for much more than its ice-hockey team. But that was before the Runner, the Musclemen and the Expanded Body.

The three are among the displays at "Human Body World," an exhibition on human anatomy at Mannheim's Museum of Technology and Work. The life-sized figures are posed in such familiar human activities as running, standing or sitting, but unlike the specimens at a conventional science museum, the Runner and his numerous colleagues are real human corpses. Preserved through a process called "plastination," the bodies, donated by volunteers, have been transformed into what the inventor of the process calls "anatomical artwork."

And they have stirred up a debate across Germany over the boundaries of morality, art and science.

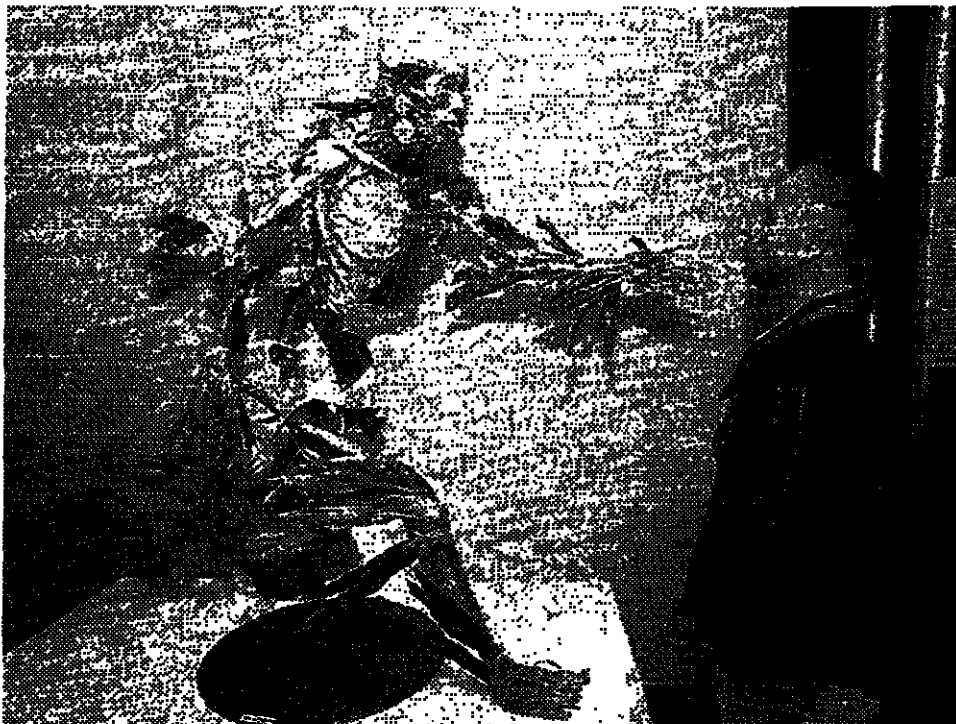
The Runner is frozen in the loping gait of a marathoner, stripped of almost everything except bones and muscles. Its outer muscles fly backward off its bones, as if the muscles were being blown by the wind rushing past.

The Musclemen is a bare skeleton that holds up its entire system of muscles, which look like an astronaut's bulky spacesuit dangling on a hanger. The Figure With Skin retains all its muscles and organs, but its skin is draped like a coat over one arm. The Expanded Body resembles a human telescope, its skeleton pulled apart so people can see what lies beneath the skull and the rib cage.

Roman Catholic and Protestant church leaders have denounced the exhibit as a breach of human dignity. The premier of the state of Baden-Württemberg would like to shut the exhibit. The local district prosecutor is trying to decide if he can bring criminal charges against museum officials.

Yet the show has also attracted heartfelt praise. Defenders say that, far from being macabre, the exhibition celebrates the wonder and the fragility of the human body in all its dimensions.

"I do not see this as a room full of corpses or as a hall of death," said Gunter von Hagens,



The Runner, a cadaver, is frozen in the loping gait of a marathoner, stripped of almost everything except bones and muscles.

a medical doctor who is a lecturer in anatomy at the University of Heidelberg School of Medicine. He invented the plastination technique and assembled the exhibit here.

"What this does is build bridges back to your own body," he said. "When you look at the models, you can recognize yourself as a member of the human species. Your humanity becomes clear."

More than 200,000 people have passed through the exhibition since it opened two months ago, and visitors now wait as long as three hours to get in. On leaving, the vast majority of visitors say the exhibition gave them a new appreciation of the human body.

Many have even signed up as potential

donors of their own bodies.

"It showed the human body as a wonder machine," said Gisela Linde, an architect from Berlin who came at the insistence of one of her children, a medical student. "You can see the complexity and the mystery. It showed the humanity. I really would like to have stayed longer."

Both the technology and the exhibition's often shocking impact come from Dr. von Hagens, a 53-year-old native of the former East Germany who is unfazed by accusations of being a real-life Dr. Frankenstein. Indeed, as he threaded his way through the packed crowd, he was surprised to find himself besieged by people wanting his autograph.

"Just look at all the people coming here — and many of them came here full of skepticism," he said. "But they find themselves fascinated and enthusiastic. That shows you that this exhibit is affecting them in an important way."

Dr. von Hagens pioneered his preservation techniques for use in medical schools shortly after he arrived in Heidelberg more than 20 years ago. Body parts are immersed in acetone chilled to 13 degrees Fahrenheit (-10.5 Celsius) and the water is removed from every cell. The water is then replaced with molten plastic material that later hardens. The parts retain their color and shape, although many organs end up looking like plastic.

Dr. von Hagens went on to become a virtuoso at displaying individual aspects of the body — the skin, the muscles, the digestive tract or even just the circulatory system. He also learned how to preserve human bodies in vertical and horizontal slices a quarter-inch (.635 of a centimeter) thick.

**B**UT THEREIN lies the controversy. While nobody questions the value of fashioning sophisticated cadavers for use by medical students, religious and ethical critics say that Dr. von Hagens has crossed an important line by treating the human body as something tantamount to a sculptor's clay.

The Mannheim exhibition fits somewhere between art and commerce, one in which the likely damage to taboos has been factored in as a cost, said Johannes Reiter, a Catholic theologian and ethicist at the University of Mainz who serves on a commission that advises Chancellor Helmut Kohl on questions of ethics and technology. "He who styles human corpses as a so-called work of art no longer respects the importance of death."

Catholic and Protestant church leaders from Mannheim have also vigorously protested the exhibition and implored local government leaders to prevent it from even taking place. But while local government officials have been sympathetic, they have thus far been unable to come up with a valid legal objection to the show.

Dr. von Hagens argues that his exhibition gives people a new respect for the body. They can inspect the damage to a lung caused by

smoking or to a liver shriveled by alcohol poisoning.

Yet he himself has invited criticism by referring self-consciously to his displays as "anatomical artwork."

"I use the word art very cautiously, because it has come to mean business and entertainment," he said as he strolled through the museum. "What I mean here is an exhibit of museum anatomy that is both instructive and aesthetic, an exhibit so exact that it represents a work of art."

**T**O THAT end, medical students from the University of Heidelberg have been paid to explain the anatomical ideas behind exhibits that often seem bizarre at first glance.

The Runner, for example, shocks many visitors, because the muscles look as if they have been stylized into some form of modern sculpture. But tour guides on hand say the real purpose is to let people see the many different layers of muscle.

"If you just looked at the surface, you would see only the outer muscles," said Jens Kubitz, one of the students. "Here, you can see the lower muscles as well, the ones that help us keep our balance and work for us all the time without our even realizing it."

By any measure, some of the exhibits are shocking. On one female corpse, the stomach and womb have been slashed open to reveal a five-month-old fetus. In a glass case at the center of the room, visitors encounter a row of plasticized infant corpses.

All the adult bodies that appear in the exhibit were donated by volunteers who knew what they would be used for, and the donors' identities have been protected. He does not accept the bodies of infants. Dr. von Hagens said that the infants he plastinated for the exhibit were acquired from hospitals and medical schools.

Although he has been approached by anti-abortion groups to prepare plastinated fetuses for their use, he has refused to do so for fear of becoming embroiled in political battles.

Dr. von Hagens said that he has not even begun to run out of ideas for new body displays. "I have already designed quite a few other specimens, but I wouldn't show them here because they would be misunderstood," he said.

## Turkish-Israeli Exercise Makes Waves

The Associated Press

**ABOARD THE TURKISH WARSHIP TCG YAVUZ** — In choppy winter seas and under cloudy skies, Turkish, Israeli and U.S. ships held their first joint maneuver Wednesday — a one-day exercise that has brought angry protests from Iran and Arab states.

Officials of all three countries have been at pains to stress that the Reliant Merman exercise — involving five ships and over 1,000 sailors — is only to practice search and rescue operations.

The exercise comes in the context of a growing Turkish-Israeli military relationship that radical regimes in the region — Iran, Syria and Iraq — believe is aimed at them.

Admiral Hussein Khassawneh of the

Royal Jordanian Navy, who attended as an observer, said there was no threat to other Arab countries. "It is a pure search and rescue operation," he said, standing on the bridge of the 3,000-ton frigate Yavuz.

Colonel Husnu Dag, a representative of the Turkish general staff, said the maneuver was necessary because dense sea traffic in the eastern Mediterranean "creates the need to respond to civilian emergencies."

Reliant Merman will "promote peace and stability in the region," he said.

Five Turkish, Israeli and American warships took part in the four-hour exercise, along with naval reconnaissance aircraft and helicopters.

The ships sailed to a rendezvous off

the Israeli coast where they received "distress signals" from yachts with life-size dolls aboard representing people. The mannequins were then rescued by frogmen from the three countries.

Rear Admiral Yedidya Yaari, deputy commander of the Israeli Navy, said that a naval exercise "was planned" with Greece this year, and that he hoped to practice search and rescue techniques with Tunisia, Morocco and other Mediterranean nations in the future.

But Syria was sharply critical of the maneuvers Wednesday, and Saddam Hussein's regime said in a threatening editorial in the Babil newspaper that Iraq had the military might to "instill horror in the hearts" of Turkey, Israel and the United States.

## WEEKEND SKI REPORT

Resort	Depth L	Mts. U	Plates P	Res. R	Snow S	State St	Last Ln	Comments
Andorra Solitude	35	70	Good	Open	Ver	5/12		good skiing on most open runs
Austria								
Ischgl	30	80	Good	Open	Pd	6/1		all its open, good skiing overall
Kitzbühel	10	80	Good	Open	Ver	6/1		6400 ft open, upper runs good
Lach	60	100	Good	Open	Pd	6/1		2100 ft open, fresh snow all runs
Mayrhofen	60	70	Good	Open	Pd	6/1		all its open, good above 1600m
Obertauern	100	100	Good	Open	Pd	7/1		all its open, good skiing
St. Anton	100	200	Good	Open	Pd	7/1		all its open, good skiing
Switzerland								
La Plagne	70	100	Good	Open	Pd	6/1		very good skiing, lots of good
Whistler	30	100	Good	Open	Pd	1/1		new snow, good skiing
France								
Alpe d'Huez	75	100	Good	Open	Pd	6/1		lots of fresh snow, good skiing
Les Arins	55	100	Good	Open	Pd	6/1		new snow, best above 1600m
Avoriaz	80	100	Good	Open	Pd	6/1		good skiing on fresh snow
Chamonix	30	100	Good	Open	Pd	6/1		3200 ft open, City of all snow open
Courmayeur	70	80	Good	Open	Pd	6/1		new snow improving conditions
La Plagne	105	210	Good	Open	Pd	6/1		new snow and steady good skiing
La Plagne	105	210	Good	Open	Pd	6/1		improved conditions, new snow
St. Gervais	100	80	Good	Open	Pd	7/1		6400 ft open, some new snow
St. Gervais	100	80	Good	Open	Pd	7/1		generally excellent skiing
Tignes	100	100	Good	Open	Pd	6/1		improved skiing on new snow
Val d'Isère	100	100	Good	Open	Pd	6/1		very good skiing on steady all runs
Val Thorens	100	100	Good	Open	Pd	6/1		fresh snow, excellent skiing
Germany								
Garmisch	5	100	Good	Open	Pd	6/1		good skiing on mid-level slopes
Italy								
Alta Badia	30	100	Good	Open	Pd	6/1		Fully open, good skiing
Alpe di Siusi	30	100	Good	Open	Pd	6/1		fully open, good skiing
Corvara	30	100	Good	Open	Pd	6/1		fully open, good skiing
Madonna di Campiglio	30	100	Good	Open	Pd	6/1		fully open, good skiing
Pinzolo	30	100	Good	Open	Pd	6/1		fully open, good skiing
San Valentino	30	100	Good	Open	Pd	6/1		fully open, good skiing
Val Gardena	30	100	Good	Open	Pd	6/1		fully open, good skiing
Val Isère	30	100	Good	Open	Pd	6/1		fully open, good skiing
Val Peneda	30	100	Good	Open	Pd	6/1		fully open, good skiing
Val di Fiemme	30	100	Good	Open	Pd	6/1		fully open, good skiing
Val di Sole	30	100	Good	Open	Pd	6/1		fully open, good skiing
Val di Susa	30	100	Good	Open	Pd	6/1		fully open, good skiing
Val di Tignes	30	100	Good	Open	Pd	6/1		fully open, good skiing
Val di Valais	30	100	Good	Open	Pd	6/1		fully open, good skiing
Val d'Aosta	30	100	Good	Open	Pd	6/1		fully open, good skiing
Val d'Arenza	30	100	Good	Open	Pd	6/1		fully open, good skiing
Val d'Ayas	30	100	Good	Open	Pd	6/1		fully open, good skiing
Val d'Aoste	30	100	Good	Open	Pd	6/1		fully open, good skiing
Val d'Ayas	30	100	Good	Open	Pd	6/1		fully open, good skiing
Val d'Ayas	30	100	Good	Open	Pd	6/1		fully open, good skiing
Val d'Ayas	30	100	Good	Open	Pd	6/1		fully open, good skiing
Val d'Ayas	30	100	Good	Open	Pd	6/1		fully open, good skiing
Val d'Ayas	30	100	Good	Open	Pd	6/1		fully open, good skiing
Val d'Ayas	30	100	Good	Open	Pd	6/1		fully open, good skiing
Val d'Ayas	30	100	Good	Open	Pd	6/1		fully open, good skiing
Val d'Ayas	30	100	Good	Open	Pd	6/1		fully open, good skiing
Val d'Ayas	30	100	Good	Open	Pd	6/1		fully open, good skiing
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## WEATHER

Forecast for Friday through Sunday, as provided by AccuWeather.

Europe	Today	Low	High	Tomorrow	Low	High	Day After	Low	High
Algeria	68/72	68	72	68/72	68	72	68/72	68	72
Andorra	68/72	68	72	68/72	68	72	68/72	68	72
Austria	68/72	68	72	68/72	68	72	68/72	68	72
Belgium	68/72	68	72	68/72	68	72	68/72	68	72
Bulgaria	68/72	68	72	68/72	68	72	68/72	68	72
Czechia	68/72	68	72	68/72	68	72	68/72	68	72
Denmark	68/72	68	72	68/72	68	72	68/72	68	72
Egypt	68/72	68	72	68/72	68	72	68/72	68	72
Finland	68/72	68	72	68/72	68	72	68/72	68	72
France	68/72	68	72	68/72	68	72	68/72	68	72
Germany	68/72	68	72	68/72	68	72	68/72	68	72
Greece	68/72	68	72	68/72	68	72	68/72	68	72
Hungary	68/72	68	72	68/72	68	72	68/72	68	72
Ireland	68/72	68	72	68/72	68	72	68/72	68	72
Italy	68/72	68	72	68/72	68	72	68/72	68	72
Japan	68/72	68	72	68/72	68	72	68/72	68	72
Korea	68/72	68	72	68/72	68	72	68/72	68	72
Latvia	68/72	68	72	68/72	68	72	68/72	68	72
Lithuania	68/72	68	72	68/72	68	72	68/72	68	72
Malta	68/72	68	72	68/72	68	72	68/72	68	72
Netherlands	68/72	68	72	68/72	68	72	68/72	68	72
Norway	68/72	68	72	68/72	68	72	68/72	68	72
Poland	68/72	68	72	68/72	68	72	68/72	68	72
Portugal	68/72	68	72	68/72	68	72	68/72	68	72
Romania	68/72	68	72	68/72	68	72	68/72	68	72
Russia	68/72	68	72	68/72	68	72	68/72	68	72
Slovakia	68/72	68	72	68/72	68	72	68/72	68	72
Slovenia	68/72	68	72	68/72	68	72	68/72	68	72
Spain	68/72	68	72	68/72	68	72	68/72	68	72
Sweden	68/72	68	72	68/72	68	72	68/72	68	72
Switzerland	68/72	68	72	68/72	68	72	68/72	68	72
Taiwan	68/72	68	72	68/72	68	72	68/72	68	72
Thailand	68/72	68	72	68/72	68	72	68/72	68	72
Turkey	68/72	68	72	68/72	68	72	68/72	68	72
Ukraine	68/72	68	72	68/72	68	72	68/72	68	72
USA	68/72	68	72	68/72	68	72	68/72	68	72
UK	68/72	68	72	68/72	68	72	68/72	68	72

## TRAVEL UPDATE

## Frankfurt Airport's Weapons Haul

**FRANKFURT (Reuters)** — Baggage controllers and security staff at Frankfurt International Airport turned up 120,000 weapons and other dangerous items during 1997, a third less than in 1996, the operators of the airport said Wednesday.

Controllers found 13 grenades, more than 1,700 pistols and around 37,000 knives in passengers' hand luggage during the year. Frankfurt airport handled a record 40 million passengers in 1997.

## Building Starts on Bethlehem Hotel

**BETHLEHEM, West Bank (AP)** — Yasser Arafat, the Palestinian leader, laid the cornerstone Wednesday for a \$15 million hotel in Bethlehem, one of several to be built to accommodate the millions of visitors expected for the millennium celebrations in 2000.

The 10-story hotel, to be built on a mountaintop overlooking the birthplace of Jesus, will have 258 rooms and 12 suites, said Daoud Zier, one of the five partners in the venture.

The Portuguese state television channel RTP-Radiotelevisao Portuguesa started a service Wednesday broadcasting to former Arab colonies, an RTP official said. (Reuters)

## After Dispute With PLO Official, CBS to Lose 'Unrestricted' Access

## CBS to Lose 'Unrestricted' Access

**NEW YORK** — After a lengthy telephone discussion, Don Hewitt, the executive producer of the U.S. television program "60 Minutes," and Bassam Abu Sharif, the Palestinian official who had announced restrictions on CBS News in Palestinian-controlled areas, said CBS would be treated the same as other news organizations.

On Monday, Mr. Abu Sharif, an adviser to the Palestinian leader, Yasser Arafat, had accused "60 Minutes" of being unfair in a Dec. 17 program that referred to Palestinian involvement in corrupt monopolies controlling the sale of some consumer goods in the West Bank and Gaza.

He said CBS had ignored allegations of Israeli involvement in the monopolies.

"CBS had a privilege of unrestricted access that other networks did not have, of unrestricted access to Palestinian leaders and the areas we govern," Mr. Abu Sharif said. He said CBS's former privileges could be restored, but only by Mr. Arafat.

## Correction

An article Tuesday incorrectly characterized the conviction of the French television personality Patrick Poivre d'Arvor. He was found guilty of accepting gifts but not cash.

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Portugal 050112832 Singapore 800122501 S.Africa 080066337  
Spain 080061007 Sweden 020763158 Switzerland 0800887233  
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MALAYSIA	MYR 105	45	57%
NETHERLANDS	FLG 1,05	450	57%
NORWAY	NOK 332	135	59%
PORTUGAL	PTA 1,100	450	59%
SPAIN	ESP 11,200	5,000	55%
SWEDEN	SEK 822	350	57%
SWITZERLAND	CHF 178	75	58%
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THE AMERICAS

# Nichols Escapes Death Sentence in Bombing

Compiled by Our Staff From Dispatches

DENVER — Terry Nichols, convicted of conspiracy in the worst terrorist attack ever carried out on U.S. soil, escaped the death penalty for the Oklahoma City bombing after the jury failed to agree Wednesday on a sentence.

The judge dismissed the jury and will decide the penalty himself. Under federal law, a death sentence can be imposed only by a jury. U.S. District Court Judge Richard Matsch gave attorneys until Feb. 9 to file motions regarding the sentencing, but set no date for it.

"We're pleased," said Michael Tigar, a defense attorney. Others were seriously disappointed.

"It's a sad day in America today. We let our people down," a sobbing Darlene Welch said at a federal center in Oklahoma City, where victims could watch the Denver trial by closed-circuit television.

"I think we have a serious problem with our justice system that a man can kill 168 people and still live."

Ms. Welch's 4-year-old niece, Ashley Eckles, was killed in the April 19, 1995, bombing. Mr. Nichols's former army buddy, Timothy McVeigh, was given a death sentence by a jury after he was convicted in June of murder, conspiracy and use of a truck bomb.

Mr. Nichols was convicted Dec. 23 of conspiracy and eight counts of involuntary manslaughter for the bombing. He was acquitted of first-degree murder and use of a truck bomb.

He could still wind up on death row. Oklahoma prosecutors have promised to press for a death sentence when they bring him to trial on state charges.

The federal jury had three options: a death sentence, prison for life without parole, or sending the case to the judge.

day of deliberations, it was clear to court observers that the jurors had grown weary. At least two wiped away tears as they listened to the judge.

Judge Matsch told the jurors that they had done their job.

"I do not want you to feel that you have in any way failed to meet your responsibility," he said.

Mr. Nichols sat expressionless, but smiled and hugged his co-counsel after the jury left the room.

"I guess that's what we hoped and prayed for," said Mr. Nichols's sister, Suzanne McDonnell.

Mr. Nichols, 42, had an alibi for the day of the attack. But evidence showed he had robbed a gun collector to finance the plot, stole and hid ingredients for the two-ton bomb and helped Mr. McVeigh hide a getaway car in Oklahoma City.

Mr. McVeigh drove to Oklahoma City and set off the truck bomb in front

of the Alfred P. Murrah federal office building. Mr. Nichols was at home in Herington, Kansas, at the time.

Judge Matsch had promised earlier that he would issue a penalty of less than life in prison if jurors put the decision in his hands. But analysts said they expected a sentence of so many years in prison that Mr. Nichols would never go free.

The lead prosecutor, Larry Mackey, said he understood "how difficult it must have been" for the jurors, although "the victims are disappointed."

Jim Denny, whose children Brandon and Rebecca were injured in the bombing, sympathized with the jurors.

"I mean I really think that the 12 jurors became victims in this. They saw things that we saw that day and probably more than we saw. I really feel for them. I think they made the right choice in letting the judge handle it."

(AP, AFP, Reuters)

## Scientist Says He's Ready to Clone a Human Being

By Rick Weiss  
Washington Post Service

WASHINGTON — A Chicago scientist says he has assembled a team of doctors that is prepared to clone a human being sometime before Congress bans the procedure, and that eight people have already volunteered to be cloned.

The scientist, G. Richard Seed, is a physician who has been involved in various kinds of fertility research since the

early 1970s. Several people familiar with Mr. Seed said he is known for his eccentric views and doubted he would follow through with his plan. But others said Mr. Seed has the technical and entrepreneurial expertise — and philosophical commitment to radical science — to accomplish the feat.

"Richard is a brilliant man," said Harriett Hasson, chairman of obstetrics and gynecology at the University of Chicago's Weiss Memorial Hospital, who has worked with Mr. Seed. "He is

a little crazy, but we all have to be a little crazy to get to that level."

If anyone can make human cloning happen, he added, "it would be someone like Richard Seed."

Mr. Seed appears to be the first scientist to state plainly that he has both the means and the intention to clone a human being. The aim would be to aid infertile couples. In an interview, Mr. Seed said his preparations were "90 percent complete" and that four infertile volunteer couples had been selected.

Three of the couples have one infertile partner each. Mr. Seed said, and the "first choice" couple is a man and woman who are both infertile.

"The only way they can transmit any of their genes is by cloning," he said.

President Bill Clinton last year banned the use of federal money to conduct human cloning experiments and has requested that privately funded enterprises adhere to a voluntary ban on human cloning.

A national bioethics commission last year recommended that Congress enact a law that would make human cloning illegal, saying it posed unacceptable medical risks and raised deeply troubling ethical questions. But none of the legislation produced so far has made it through even early stages of congressional review.

Mr. Seed said he would move his operation overseas if Congress or the Food and Drug Administration tried to impede his work.

Cloning is an experimental method for replicating adult animals that was made famous last year when scientists in Scotland used it to make Dolly the sheep, the first mammal cloned from an adult cell.

In humans, the method would start with a single cell — any cell may do — taken from the adult who wants to be cloned. Using an electrical jolt, scientists would fuse the genes from that cell with a specially treated donor egg cell whose own genes had been removed. That cell would be allowed to grow into an embryo in the laboratory. The embryo would be implanted into the womb of a surrogate mother, where it would develop into a person genetically identical to the original donor.

Mr. Seed acknowledged that one reason he was announcing his intentions was to help attract venture capital.

Yury Verlinsky, director of the reproductive genetics institute at Illinois Masonic Medical Center in Chicago, said he had heard about Mr. Seed's plan and did not doubt that Mr. Seed or someone else with a similar background could achieve the first cloning of a human.

"Practically anyone able to do ICSI is able to do cloning," Mr. Verlinsky said. ICSI refers to intracytoplasmic sperm injection, a common fertility treatment.

Still, Mr. Verlinsky added, "I don't think he will do it."

But others, including Mr. Seed's brother, a Chicago surgeon, are not so sure Mr. Seed will not. "He's got the background and the organizational experience of getting people together in controversial areas of biology and medicine," Randolph Seed said.

Lori Andrews, a professor of law and bioethics at Chicago-Kent College of Law, said: "My own concern at this point has to do with the physical safety of the offspring since we know from the sheep experiments there are a lot of risks of mutation and fatality in the early months of life. Even if it were proved safe in animals, I have concerns about the psychological impact of a child having to live out a previously engineered genotype. This is about undue power of parents over children."

## Prospector Spacecraft Heading for the Moon

The Associated Press

CAPE CANAVERAL, Florida — A little durnlike spacecraft called Prospector hurtled toward the moon Wednesday, its task to search for water, minerals and gases during NASA's first lunar mission in 25 years.

"It certainly feels good to be going back," said Joseph Boyce, a scientist working on the unmanned mission, after the flawless launching Tuesday night. "I couldn't be more excited, more happy, more pleased."

The National Aeronautics and

Space Administration last explored the moon in December 1972 with Apollo 17.

The Prospector, due to arrive at the moon Sunday, carries five instruments that will search from lunar orbit for evidence of frozen water at the shadowy poles, as well as for minerals and gases. Such resources, especially water, could be used by human settlers.

The 4-foot (1.2-meter), 650-pound (292-kilogram) spacecraft also contains an ounce (28 grams) of the ashes of Eugene Shoemaker, a planetary sci-

entist who trained the Apollo astronauts in lunar geology in the 1960s and early 1970s, and yearned to fly to the moon. He died in a car accident in July during an Australian research trip.

A half-moon gleamed in the sky as the Athena rocket blasted off at 9:28 P.M. on Tuesday, a day late. A launching attempt Monday was foiled by trouble with radar needed to track the rocket. An hour into the flight, a motor fired, propelling Prospector out of low-Earth orbit and toward the moon 240,000 miles (384,000 kilometers) away.

## Smithsonian Drops Sponsor on Israel

By Jacqueline Trescott  
Washington Post Service

WASHINGTON — Faced with sharp criticism from a key congressman and several Jewish organizations, the Smithsonian Institution has dropped the principal co-sponsor of a lecture series on the 50th anniversary of Israel's birth.

The Smithsonian said it had decided to put on the program without the assistance of the New Israel Fund, a liberal philanthropic organization that supports reconciliation between Arabs and Jews as well as religious pluralism in Israel.

The partnership and a preliminary list of speakers were cited by critics as evidence that the Smithsonian program would be unbalanced, including too many critics of Israeli policy and not enough supporters.

Among those demanding a change was Representative Michael Forbes, Republican of New York, a member of the House Appropriations Committee, which approves 70 percent of the Smithsonian's budget.

The change in the Smithsonian's position was announced by the museum's secretary, I. Michael Heyman.

Mr. Heyman came to the Smithsonian three years ago just as the uproar over the planned Enola Gay exhibition was escalating. Veterans groups, military historians and members of Congress criticized initial plans for a show centered on the plane that dropped the atomic bomb on Hiroshima, contending it was too sympathetic to the Japanese. His decision to revamp that exhibit was

viewed as a concession to congressional critics and the angry public.

In a letter to Mr. Forbes, Mr. Heyman assured the congressman that the Smithsonian had taken charge of the commemoration, that it had dropped its co-sponsor and would ensure that all sides were represented on the program.

The complaints over the program

and pull together a program as complicated as this."

Norman Rosenberg, the executive director of the New Israel Fund, said he was not angry at the Smithsonian but wished it had taken the time to examine the sources of the criticism.

"It was driven by right-wing extremists who wish to stifle any open commentary about Israel," said Mr. Rosenberg.

His organization had selected some of the speakers for the still-evolving program with the museum's blessing, but the fund's critics had depicted its choices as pushing a "left-wing" agenda. The New Israel Fund was ready to pay between \$15,000 and \$20,000 of the program's expenses.

The "Israel at 50" lecture series is still planned for late spring or early summer. Mr. Heyman wrote Mr. Forbes that "it is our intention to highlight Israel's achievements," to consider some of the key issues it faces, and to examine its hopes for the years ahead.

In a letter sent to Mr. Heyman last week, Mr. Forbes said he was "shocked and disappointed" when he saw a notice of the program. He said it was stacked with speakers who are "the most severe and one-sided critics of Israel."

The controversy reflects a continuing dispute in the American Jewish community about how much criticism of Israeli policy and government is acceptable. Conservatives have argued that American Jews should not interfere in domestic Israeli concerns, while others criticize the government's support for Orthodox religious groups.

again showed the land mines involved when institutions such as the Smithsonian solicit sponsors. The practice is increasingly common, and the trend has touched off soul-searching at the 151-year-old national museum complex.

As the number of partnerships has grown, so has the scrutiny of Smithsonian policy. The clothing industry lodged immediate complaints about the involvement of labor unions in a still-planned look at sweatshops. Environmental groups objected when Alyeska, the company that built the Alaska pipeline, sponsored an exhibit on the pipeline at the Museum of American History.

The Smithsonian has repeatedly said that sponsors do not dictate the language of the labels in museum exhibitions or have any other direct say on content.

But David Umanovsky, the Smithsonian director of communications, said Tuesday, "We were naive to think we could go forward with just one group

safety hazards. But Westerners and wilderness aficionados love the aging structures. And a program started in 1979 offers hope of restoring many of them as back-country cabins. The Washington Post reports. At Clearwater National Forest in Idaho, for example, volunteer workers have restored three lookout towers and one cabin, and are preparing two more lookouts. Once the structures are tidy and tight, recabled to the mountain and grounded to protect against lightning, campers may rent them for as little as \$15 a day. The proceeds go back to the restoration fund.

Hispanic gardeners in Los Angeles who depend on the use of noisy leaf blowers say they will continue a hunger strike to protest a city ban on the machines. The city council voted Tuesday to enforce a year-old ordinance against the gas-powered devices, which were outlawed after homeowners' complaints about noise, which approaches chain-saw levels, and dust. The gardeners say the blowers give them a level of productivity that makes the difference between profit and poverty. The council did sharply reduce penalties for blower use from a \$1,000 fine and up to six months in jail, to a \$100 fine and court costs. Not happy with that, a dozen gardeners who began a liquids-only fast Saturday on the City Hall lawn will continue their protest, a spokesman said.

The first little pig in the children's story might not have been so dumb: Straw houses, it seems, are making a comeback. Popular 300 years ago in Europe, straw houses made a modest renaissance in the 1970s, U.S. News & World Report notes, and now are catching on again. There are about 1,000 in the United States today, but that number is expected to double within two years. Many insurers and zoning officials have doubts about the stuff. But proponents say straw has much to recommend it: It is cheap, noise-proof, energy-efficient, as well as fire-resistant when tightly baled. And it's not so easy to blow down.

Brian Knowlton

## AMERICAN TOPICS

### Aquarium to Revive an Old Whaling City

New Bedford, Massachusetts, once a center of the world whaling industry, hopes to build a revival around a \$124 million aquarium, which would be one of the biggest anywhere, and a waterfront renovation.

The world-class aquarium complex would be built on the site of an old power plant, part of an ambitious plan to remake this blue-collar harbor city. If financing is secured, construction will begin by this summer. The aquarium would include a 2-million-gallon fish tank.

The city of 100,000 on Buzzards Bay is still one of the country's leading commercial fishing ports. Its heritage is announced by the fact that 40 percent of its inhabitants descend from Portuguese who came here largely to work in the fishing industry.

In the mid-1800s, New Bedford, along with Nantucket, was a thriving center of the global whaling industry. (Even before whites began whaling here in the 1760s, American Indians had caught whales from shore, as the Basques did.) But when petroleum products began replacing whale oil in many uses, the industry entered a sharp decline.

### Short Takes

Fire-lookout cabins across the Western parks were once proud symbols of the U.S. Forest Service, evoking images of strong and independent people, living at the frontier and keeping watch over what is wild. But over the years they were displaced by fire spotters in airplanes. Many of the lookouts were dynamited or dismantled in the 1960s and 1970s, and others now risk being destroyed as

## POLITICAL NOTES



SUMMIT MEETING — President Clinton trying to get his cat, Socks, and his dog, Buddy, to make friends. Socks declined to compromise, and dog and president retreated to the White House.

## \$21 Billion Is Sought To Widen Child Care

WASHINGTON — In a move billed as the nation's largest investment in child care, President Bill Clinton proposed a \$21.3 billion package of grants and tax breaks on Wednesday to help working families find affordable care.

The key element would be a major expansion of the state block-grant program offering subsidies for child care. Mr. Clinton's plan would add \$7.5 billion over five years, making 2 million children eligible for child care assistance by 2003. Currently, about 1 million are eligible, and their families receive \$3,200 annually.

The proposal would also expand the reach of the program to lower-income families — generally those making about \$35,000 a year for a family of four, officials said. The program now largely helps Americans trying to move from welfare to work.

Congress would have to approve all the money for Mr. Clinton's proposals, and Republicans have resisted earlier attempts to expand social spending. The Clinton administration said that nearly a third of the money could come from a settlement that is expected between the government and the tobacco industry. (AP)

## Paula Jones Hints At IRS Harassment

LONG BEACH, California — Lawyers for Paula Jones said that investigators from the Office of the Inspector General of the Treasury De-

partment had begun an inquiry into the circumstances of an Internal Revenue Service audit of Ms. Jones and her husband, Stephen.

At an unusual late-evening news conference Tuesday, at which Ms. Jones appeared but did not speak, the lawyers said the Joneses had received notice of the audit just days after the lawyers who had been representing her in her sexual harassment suit against President Clinton resigned last fall.

The lawyers said the notice came also around the time that Mr. Clinton's lawyers began their pretrial requests for documents in the case.

Ms. Jones's lead counsel, Donovan Campbell Jr., said Tuesday night that the Joneses and their lawyers had met for about two hours with three federal investigators.

Mr. Campbell said it was his understanding that the inspector general's inquiry had begun in early December at the request of several members of Congress. He said the general subject matters of the inquiry involved the possibility of improper or political motives in selecting the Joneses' tax returns for audit, the overall handling of the audit by the IRS and potential deficiencies in the audit process. (NYT)

## Quote/Unquote

Tony Miller, a Democrat who plans to run for office in California, after a federal court judge struck down the core of the state's voter-approved limits on campaign contributions: "This is back to business as usual. We will see a horrendous pouring of cash into these campaigns, unless we can stop it. The political action committees, parties and politicians won at least this round." (LAT)

## Away From Politics

• Dog bite injuries have reached epidemic proportions in the United States, with children suffering the majority of the wounds, researchers report. Of the 4.5 million people bitten by dogs each year, one out of six required medical treatment and more than half were children, researchers at Allegheny University said. Their study was published in the Journal of the American Medical Association. (Reuters)

• Robert Kaiser, managing editor of The Washington Post since 1991, will step down June 30 to return to writing. He will become associate editor and senior correspondent. The

paper's executive editor, Leonard Downie Jr., said a successor would be named soon. (AP)

• A Vietnamese man on the FBI's 10 Most Wanted List was sent to the United States to face a murder charge after being arrested by the police in Vietnam. Thang Thanh Nguyen, 28, a cook charged with killing a New York restaurant owner six years ago, was arrested on Dec. 22. (AP)

• A janitor at the Historical Society of Pennsylvania in Philadelphia was accused of stealing John Brown's rifle, General George Meade's sword and hundreds of other Civil War artifacts worth up to \$3 million and selling them to a collector for a few thousand dollars. Earnest Medford sold more than 200 items to George Ciszczak, the FBI said. (AP)

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## ASIA/PACIFIC

## Vietnam Turns Execution of 3 for Corruption Into Spectacle

**HANOI** — Three former businessmen convicted of corruption were executed Wednesday by the Vietnam government in front of thousands of witnesses on the outskirts of Ho Chi Minh City.

Among the crowd at the execution were relatives and former staff of the now bankrupt Tamexco company whose name is now synonymous in Vietnam with the word "corruption."

Officials confirmed only that the death sentence had been carried out. But prison officials and members of the crowd detailed the macabre close of the latest chapter in the scandal.

The flamboyant former Tamexco director, Pham Huy Phouc, Tran Quang Vinh and Le Duc Canh were sentenced to death last January at the end of one of the biggest trials in Vietnam's recent history.

At dawn on Wednesday they were awakened in their cells at Ho Chi Minh City's Chi Hoa Prison and led to a room where the final decision to proceed with the execution was read to them.

A prison source said they were offered cigarettes, a chance to write final letters and a last meal of steamed buns, chicken and a soft drink.

All three declined the food. Mr. Canh took a cigarette. Mr. Vinh was the only one of the three to write a final note — to his wife and children.

The men were then blindfolded, and following common practice for condemned men in Vietnam, gagged with lemon in their mouths en route to the execution ground.

Shortly before 7 A.M. they arrived at the site — a shabby field in Thn Duc district, on the outskirts of the city — where they were tied to posts.

Onlookers, who had begun gathering hours earlier, said Mr. Phouc appeared to faint as three five-man firing squads prepared. But in the final moments a woman in the crowd called out his name, and he responded in brief acknowledgment.

Moments later he and the others were shot to death. A commanding officer finished the process with the traditional pistol shot to their heads. The bodies were covered in bamboo mats and interred in simple coffins in shallow graves at the site.

From high-flying success to his downfall, Mr. Phouc had been one of the most prominent businessmen in Vietnam. As head of Tamexco — a Ho Chi Minh City trading firm — he was associated with leading figures throughout the country's business community and political establishment.

Newspaper reports detailed last year how he had

squandered millions of dollars in state assets. He bought a luxury villa for a girlfriend and frittered away thousands on card games.

But analysts said his demise, and that of the company around him, became a showcase for Hanoi's resolve to stamp out corruption, which has grown out of control in the wake of free-market reforms introduced in the late 1980s.

A fourth man, Le Minh Hai, was originally condemned to death alongside the three, but his sentence was commuted on the ground that his family had contributed to the Communist victory in the Vietnam War. Sixteen other persons received a range of sentences at the trial from suspended prison terms to life in jail. Other senior officials, including a former deputy central bank governor, were implicated.

Denny Suharto  
Another Term,  
Indonesian  
Group Urges

**JAKARTA** — The head of Indonesia's second-largest Islamic group urged the legislature Wednesday not to nominate President Suharto for a seventh five-year term in office, according to reports here.

"Re-electing President Suharto means we maintain the status quo," Amien Rais, chairman of the 28-million-member Muhammadiyah, was quoted by The Jakarta Post as saying.

The current government has "failed to curb the monetary crisis," he said, addressing his remarks to the country's highest legislative body, the People's Consultative Assembly (MPR), responsible for selecting the president and vice president.

"The MPR should establish a presidium of caretakers to temporarily take over presidential duties while waiting for a new president to be elected in March," Mr. Rais added. He called the handling of the current economic crisis a "mission impossible."

Mr. Suharto has run unopposed at every election held under his regime and is widely expected to win in March.

## ■ 2 Dissenters Face Prison

Two men accused of distributing leaflets defaming President Suharto face up to two years in prison if convicted, The Associated Press reported from Jakarta.

A prosecutor said Tuesday that he would seek the sentence in their trial in Tangerang, about 30 kilometers (18 miles) west of Jakarta, the Antara news agency reported.

Syafuddin bin Mardali, 25, and Abdullah bin Samuli, 22, allegedly handed out 200 leaflets in the capital during parliamentary elections in May urging Mr. Suharto's family to publicly reveal their assets and business interests and demanded that the government stamp out corruption.

## HONG KONG: Asia Currency Crisis Expands With a Haven on the Verge of Becoming a No-Man's Land

Continued from Page 1

reflected a fundamental weakening of the market, amid concern that the territory has become far too expensive compared with its neighbors and the realization that it is no longer a safe haven from the turmoil.

"I think there's a realization that although we were seen as a safe haven, we are an integral part of the region," said James Osborn, director and head of sales for Barings.

Compared with the stock market collapses of late last year, he said, "I think the situation this time is a bit more severe because of what's happened elsewhere. We're in a bit of a no-man's-land."

Another analyst here said, "Hong Kong is in the middle of Asia, and Asia has just gone through this absolute nightmare." The analyst added: "No one is immune from the virus."

The region's collapsing stock and currency markets were cited for the dramatic sell-off in Hong Kong on Wednesday. As capital flees the region, and with few people willing to buy in the

## Drought in Papua New Guinea Getting Worse

**PORT MORESBY**, Papua New Guinea — More than one million people are in urgent need of food and water as the drought in Papua New Guinea continues to intensify, officials said Wednesday.

Port Moresby residents faced water and power rationing and deliveries of emergency food supplies were halted in one region after an aid truck was looted, Papua New Guinea and Australian officials said.

Simon Kaumi, the provincial and local government affairs minister who is also responsible for disaster management, said that 1.2 million people were "critically affected" and urgently needed food and water supplies.

The Australian aid agency AusAID, which will release an official drought report on Thursday, said the drought had hit one in four of the impoverished South Pacific nation's 4.3 million people.

Mr. Kaumi said he had decided to take control of about the equivalent of \$20 million in aid money away from the Department of Finance so it could be administered by his own department. "The urgency is such that we cannot have red tape bungling," he said.

The aid money comprises \$14 million pledged in September by the Papua New Guinea government to 19 of the country's 20 provinces, \$2.8 million from Australia and other foreign donations.

Mr. Kaumi said he would also seek another \$6.9 million from the Papua New Guinea government for drought relief.

Government health officials said five people had died from typhoid in Kokoda, about 100 kilometers (60 miles) northeast of Port Moresby, bringing the death toll to at least 75. At least 82 people in Kokoda were suffering from typhoid, which broke out over Christmas, the officials said.

Papua New Guinea said last month that health centers throughout the country had confirmed at least 70 people had died, mainly from water-borne diseases such as diarrhea and dysentery.

Officials said Wednesday that Port Moresby's 400,000

residents faced power and water shortages, with water levels in the city's main reservoir down to 70 million cubic centimeters from 230 million last January.

The PNG Electricity Commission said blackouts of up to 11 hours would be introduced immediately throughout the city. "The situation is going to get even worse," a commission spokesman said.

At Enga, in the rugged Highlands region, a truck carrying 50 tons of rice and supplies was looted on Monday by hungry villagers.

"Until the government does something or the people agree to stop, we can't continue deliveries," a spokesman for the aid suppliers said.

Kathy Sullivan, Australia's parliamentary secretary for foreign affairs, said the latest AusAID report was consistent with predictions made in September that up to 140,000 lives were at risk if there was no significant rain by November.

"It is a dire situation and has been for some time," she said in a radio interview.

Seoul 'Hoping'  
To Help North

**SEOUL** — South Korea indicated Wednesday it would respond positively to the latest international appeal for food aid for North Korea even though it desperately needs foreign exchange.

"We need U.S. dollars desperately, and North Korea knows that. But we are hoping to respond positively to this call for aid on humanitarian grounds," a government source said, adding, "Just because we are in difficulty, we can't ignore our obligations to the international community."

South Korea's contribution last year totaled about \$27.4 million. But this year, government officials predict the figure will rise to about \$40 million, because the World Food Program is appealing for \$378.2 million in aid, nearly double the amount requested for 1997.

A Foreign Ministry official said the issue of food aid would have some impact on the peace talks between the two Koreas, the United States and China.

"There is no direct link between the two issues, but we can't deny the fact that our reaction will have some impact on the coming four-party talks," the official said.

BRIEFLY  
Gandhi to Start  
Election Campaign

**NEW DELHI** — Sonia Gandhi will start her election campaign for the Congress (I) Party from the southern Indian town where her husband was assassinated in 1991, a senior leader of the party said Wednesday.

The official, Ghulam Nabi Azad, said Mrs. Gandhi would begin her campaign Sunday in Sriperumbudur, where Rajiv Gandhi was killed by a suicide bomber during an election meeting.

Mrs. Gandhi joined the Congress Party, once dominated by the Nehru-Gandhi political dynasty, in May. She has yet to make a public speech, but is expected to inject much-needed charisma into the lackluster line-up of Congress leaders.

Mrs. Gandhi, 51, agreed last week to campaign for a Congress victory in the general elections beginning mid-February, boosting morale in a party that is trailing the Hindu nationalist Bharatiya Janata Party in opinion polls. (Reuters)

Hong Kong to Raise  
Chicken Payments

**HONG KONG** — Hong Kong agreed to increase compensation Wednesday for chickens slaughtered in the battle against avian flu.

Dozens of farm owners and poultry workers camped outside government buildings overnight to press for more money after 1.3 million chickens and other poultry were killed last week.

The package should be approved by lawmakers Friday.

On Monday, the government had proposed a 100 million Hong Kong dollar (\$12.9 million) compensation package, which would give farmers from 16 to 36 dollars for every chicken killed. (Reuters)

Opposition Reports  
Taleban Massacres

**ISLAMABAD**, Pakistan — Soldiers killed at least 600 civilians, lining people up and shooting them, during a two-day massacre in northwestern Afghanistan, opponents of the Taleban regime said Wednesday.

The claims of a massacre that took place 400 kilometers (250 miles) northwest of Kabul last Thursday and Friday were made by Sibgatullah Zaki, an opposition spokesman based in Pakistan, in a letter to Kofi Annan, secretary-general of the United Nations.

The claims were impossible to confirm because of the remoteness of the region, which has been the scene of heavy fighting lately between the Taleban and its northern-based enemies.

UN officials in Islamabad, however, said they had received security reports suggesting mass killings followed by an exodus of civilians. (AP)

Envoy in Cambodia  
Is Seen as Target

**PHNOM PENH** — A grenade placed near the home of a military attaché to the Vietnamese Embassy here was found Wednesday morning, the police said.

Police officials called the incident a possible act of terrorism linked to Cambodia's national holiday Wednesday, which marks the anniversary of the 1979 overthrow of the Khmer Rouge regime by Vietnamese forces.

The grenade was destroyed, the police chief said, and no one was hurt. (Reuters)

## CROSSWORD

**ACROSS**

- Places for
- scenic
- Venezia's
- partner in
- starchy
- Stowdowns
- Have — in
- one's bonnet
- Without extra
- toppings
- Subs with
- Saturn
- 1904 La Scala
- premiere
- Angle type
- Purpose
- A bunch
- 1896 Testro
- Regio premiere
- Deep-six

**DOWN**

- Whether —
- noble
- Surprisingly
- thwart
- Friendly
- Ending with
- cloth of cash
- Island close to
- Mull
- Like Lex Luther
- toppings
- Round home
- Ador. in many
- org. rings
- Round home
- Stat. that's
- good when low
- Albéniz piano
- masterpiece
- Kind of pad
- Theodos
- abandoned her

**1917 Monte Carlo premiere**

**12 Apply gold leaf to**

**13 Comes out with**

**14 Israeli Philharmonic director**

**15 Dash**

**24 Actress Alkins et al.**

**25 Aircraft**

**27 Discern**

**28 Big pig**

**29 Oppositionist**

**30 Benefici, often**

**31 Rowlands of "Gloria"**

**32 Unceasingly**

**33 Not yet final, legally**

**34 1918 Met premiere**

**35 First Lady in 1900**

**36 Hot blood**

**44 Not rose**

**45 Contents of**

**46 Some banks**

**47 Attack verbally**

**48 Slow seasoning**

**50 Diet**

**51 Tap problems**

**52 — vinci amor**

**53 Sully**

**54 Like old records**

**55 Fossey's fascination**

**56 True-to-life**

**57 Notice in passing**

**58 Elvics**

**59 Tres less dos**

© New York Times/Edited by Will Shortz.

**Solution to Puzzle of Jan. 7**

ACROSS: 1. Places for scenic 2. Venezia's partner in starchy 3. Stowdowns 4. Have — in one's bonnet 5. Without extra toppings 6. Subs with Saturn 7. 1904 La Scala premiere 8. Angle type 9. Purpose 10. A bunch 11. 1896 Testro 12. Regio premiere 13. Deep-six

DOWN: 1. Whether — noble 2. Surprisingly thwart 3. Friendly 4. Ending with cloth of cash 5. Island close to Mull 6. Like Lex Luther 7. toppings 8. Round home 9. Ador. in many org. rings 10. Round home 11. Stat. that's good when low 12. Albéniz piano masterpiece 13. Kind of pad 14. Theodos abandoned her

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EUROPE

# EU Defends Open-Borders Policy

Compiled by Our Staff From Dispatches

BRUSSELS — The European Commission on Wednesday defended the open-borders policy among nine European Union members, saying the so-called Schengen accord would not in itself cause an influx of Kurdish refugees to spread throughout the 15-nation bloc.

But the EU's executive said that unless the Union acted in harmony on asylum and immigration matters "weaknesses and difficulties" would arise in controlling refugee flows.

"The commission stresses that Schengen is not a sieve," a spokesman said after the executive discussed the arrival of Kurdish refugees in Italy, which had said it would welcome them with "open arms."

"Schengen is the achievement of free movement, but flanked by efficient measures to control illegality and criminality," the spokesman said. He added, "Without minimizing the general problem, we do not have to exaggerate the problem that is posed."

Germany tightened border controls this week after accusing Italy and Greece of failing to block the passage of Kurdish refugees.

The tide of would-be immigrants into Western Europe has risen dramatically in recent years as the disparity in living standards between the rich northern democracies and their impoverished neighbors along the Mediterranean rim has grown.

Prime Minister Mesut Yilmaz was quoted as saying Wednesday that Turkey was willing to strike an accord with the Schengen group to try to curb the surge of refugees.

"We will do our best to reach an agreement," Mr. Yilmaz told the Italian newspaper La Stampa.

"Our sole desire is to make a major contribution so that Italy and the European Union can break up the criminal networks that run illegal immigration rings," he said.

As to the hundreds of Turkish Kurds that have arrived in Italy in recent days, Mr. Yilmaz said their flight was economically motivated.

"This is an economic phenomenon that started several years ago and involves thousands of people fleeing poverty and misery," he said.

Senior police officials from several European countries are to meet in Rome on Thursday to map out a strategy on stemming the influx of Kurds.

Although the Italian Interior Ministry could not provide a definitive list of participants Wednesday, countries that have indicated they would take part, besides Italy, are Germany, France, Greece, the Netherlands and Turkey.

The European Commission discussion took place as EU officials started

preparing an action plan to prevent the refugee influx from derailing the Schengen open-borders project.

The plan, which diplomats said would be under preparation for several more days before being adopted by EU foreign ministers later this month, involves more effective border controls, and consular and police cooperation.

The commission said the Kurdish crisis was proof that the EU needed to act together and said member states had failed to enact legislation that could have helped deal with the situation, notably conventions on temporary protection and external border controls.

More than 1,000 refugees, mostly from Turkey, have landed in Italy over the past week and more are expected. Many are thought to be heading for Germany, France and the Netherlands.

Germany, France, Spain, Portugal, Belgium, the Netherlands and Luxembourg are currently full members of the Schengen agreement.

Italy and Austria have scrapped passport controls for inter-Schengen flights and their land-border controls are due to disappear in March.

Greece hopes to become a full member later this year.

Turkey, meanwhile, has freed scores of Iraqi Kurds arrested trying to enter Greece illegally, despite a government pledge to seal Turkish borders against illicit emigration in line with European demands.

The governor's office in the border province of Edirne said 140 Iraqis, most of them from the mainly Kurdish enclave of northern Iraq, were captured by gendarmerie border units in three separate incidents on Monday.

The Iraqis, together with 10 Moroccans, 6 Egyptians, 6 Iranians, 2 Pakistanis and 2 Indians appeared before a prosecutor. "They were released by the judicial authorities," the office said in a brief statement.

(Reuters, AP, WP)

## French Jobless on March

Demonstrations Over Benefits Reach Paris

The Associated Press

PARIS — French jobless, whose protests have shut down unemployment offices around the country for nearly a month, marched through Paris and about 50 other cities and towns Wednesday to demand increased government aid.

In Paris, about 1,000 people marched to the Finance Ministry, shouting, "Those who sow misery, harvest anger."

Activists have occupied 26 state unemployment agencies around France, demanding a one-time, year-end bonus of 3,000 francs (\$500) and higher benefits.

Some protesters gathered outside an unemployment agency in Lyon on Wednesday, and about 100 jobless demonstrated in Rennes, western France, TV reports said.

About 3,000 people also were protesting in the Mediterranean port city of Marseille, where unemployment is higher than the national average of 12.4 percent.

The escalating protests have become a serious problem for the Socialist government of Prime Minister Lionel Jospin, which has presented plans to reduce unemployment but has refused to increase aid to the jobless.

Communist and Green Party members of Mr. Jospin's governing coalition have criticized what they call his lack of

response. The Socialists took power in elections last June by promising to make employment their highest priority. The government has pointed out that the recent protests involve just a tiny fraction of the country's jobless.

## Dutch Government Criticized on Crime

Reuters

AMSTERDAM — The Dutch government was urged Wednesday to take a tougher line on violent crime after a judge in a murder trial drew fire for being too lenient in the sentencing of three men accused of murder.

Members of Prime Minister Wim Kok's Labour Party said they would draft their own law-and-order bill if Justice Minister Winnie Sorgdrager failed to take the initiative.

On Tuesday, a court in Leeuwarden sentenced two men accused of killing Meindert Tjoelker, who was kicked to death when he tried to stop youths from destroying a bicycle. Two men were sentenced to 16 months in prison with eight months suspended. A third man was sentenced to six months in prison. They were found guilty of public violence, but the court found no evidence to convict them on Mr. Tjoelker's death.

## Mowlam Sets Visit to Ulster Prison to See Protestants

Reuters

LONDON — The British secretary for Northern Ireland, Marjorie (Mo) Mowlam, agreed Wednesday to visit hard-line Protestant prisoners in the Maze prison outside Belfast in an attempt to keep the province's shaky peace process intact.

Gary McMichael, leader of the political arm of two outlawed "loyalist" guerrilla groups, said Ms. Mowlam had told him during a meeting in London that she would go to the Maze on Friday.

There was no immediate comment from Ms. Mowlam.

The meeting was the latest in a series Ms. Mowlam has held this week with leading politicians in a desperate bid to prevent the collapse of multiparty peace talks designed to end 30 years of sectarian strife.

Tension has been high since members of a Roman Catholic splinter group, the Irish National Liberation Army, murdered Billy Wright, leader of the Loyalist Volunteer Force, inside the Maze high-security prison Dec. 27. Since then, Protestant gunmen have murdered two Catholics in revenge killings.

Underscoring the fragility of the peace, British forces on Wednesday defused a 500-pound (230-kilogram) bomb in Banbridge, south of Belfast, after a radio station in the neighboring Irish republic received a telephoned warning.

"The first thing we have to welcome is the fact that the secretary of state has decided to meet with" the prisoners, Mr. McMichael said. "I think that is a significant step."

The prisoners are members of two pro-British terrorist groups, the Ulster Freedom Fighters and the Ulster Defense Association. Mr. McMichael's Ulster Democratic Party is the political wing of the two groups, which are banned.

Mr. McMichael added, however, that his party's presence at the resumption of round-table peace talks in Belfast on Monday could not be taken for granted.

"There is a lack of confidence in the talks process and with the attitude of the government that may put our presence on Monday in serious jeopardy," he said.

Loyalist prisoners in the Maze have withdrawn their backing for the talks, accusing the government of making too many concessions to the Catholic side.

No group claimed responsibility for the Banbridge bomb, but the province's chief pro-British Protestant leader, David Trimble, blamed Catholic militants who oppose British rule.

"It is fairly obvious that this bomb is from a republican source," Mr. Trimble, head of the Ulster Unionist Party, told BBC radio.

Mr. Trimble said the failed attack was a bid to increase instability after a surge in violence by pro-British and pro-Irish factions opposed to current peace moves.

Meanwhile, Foreign Minister David Andrews of Ireland met with the Progressive Unionist Party, the political arm of the Ulster Volunteer Force, a guerrilla group. He said early progress in the talks next week would help repair the damage from the upsurge in violence.

### U.S. Envoy to Press for Peace

Kevin Cullen of the Boston Globe reported from Dublin.

George Mitchell, the former U.S. senator who will sponsor the talks in Belfast next week and who will be expected to try to rescue a damaged peace process, has watched the deteriorating situation from afar with growing dismay.

"It has made clear to people how real the possibility of going back to violence is if this process fails," Mr. Mitchell said in his first interview since the crisis was precipitated Dec. 27 by Mr. Wright's murder. He added, "It seems to me the political leaders of Northern Ireland and the people should decide their futures — not a handful of men on the outside who are determined to wreck the process."

Mr. Mitchell said the recent upsurge in violence was a wake-up call for the British and Irish governments.



A British soldier patrolling in Anderstown, western Belfast, on Wednesday, where tension was growing after recent attacks in Catholic areas.

## Italian Farmers in Uproar Over 'Milk Fine' Subsidies

Tractors to Invade Rome Over Plan to Shift Costs

By John Tagliabue  
New York Times Service

ROME — They are called "milk fines," and for more than a decade these penalties have been paid by Italian governments to the European Union to allow Rome to subsidize Italy's unprofitable dairy industry.

The payments have become a symbol of Italy's insistence on maintaining costly farm production and jobs at consumers' expense.

But this week more than 450 farmers across Italy blocked roads with tractors to protest a government plan to shift the cost to the farmers.

"This game of the milk fines has to be ended," said Vilmare Giacomazzi, an organizer of demonstrations held Tuesday in Rome. An invasion of Rome by thousands of tractors is planned for Sunday.

Temper began heating up in November when the government yielded to a demand by the European Union that Rome stop paying the fines out of the government budget and get the money from the farmers instead. The fines are supposed to be paid by farmers who produce more milk than allowed under annual quotas set to keep the cost of European milk near the world price.

In the past, farmers found ingenious ways to skirt the penalties. One recent government report found that in 1996, 2,518 Italian farmers claimed to have produced 205,000 tons of milk, though they owned no cows. The report concluded that what might have passed for a miracle in this wonder-prone nation was just some farmers covering for others who had exceeded quotas.

Italy and its taxpayers paid about \$484 million to subsidize the excess milk produced last year, and Prime Minister Romano Prodi faces rising anger from olive and rice producers to help

them out as prices fall.

The problem became acute in 1997 when European governments, all on spending diets to meet the budget requirements for a single currency in 1999, decided something had to be done about spending on agriculture, which consumes two-thirds of the European Union's current \$98 billion annual budget.

For Mr. Prodi, whose government distributes almost \$6 billion a year in subsidies to farmers, more than nine-tenths from European Union coffers, the issue is crucial if he is to persuade Europe that his efforts to repair Italy's chronically sick accounts are not akin to last-minute fattening of the cow for sale.

"We've got to be serious," said Italy's agriculture minister, Michele Pinto, "because our credibility in Europe is at stake."

To defuse tempers, Mr. Prodi offered in November to reimburse farmers up to 80 percent of the amount of the fines. The farmers argue that his government got the Italian quotas wrong in the first place, that it was thus the government's fault that too much milk was produced, and that therefore the government should pay. Mr. Prodi's offer came after battles in which the police sprayed farmers with tear gas, and the farmers in response sprayed the police with liquid manure.

Defenders of subsidies argue that Italy depends on farming for 3 percent of its gross domestic product and 1.4 million jobs. (The United States, with five times the Italian population, has 3.5 million employed in farming, forestry and fishing.) But more and more, as world food prices stagnate, supporters have argued that closing farms would create enormous social dislocation and ecological damage to untended land.

Italy's farm sector is badly in need of overhaul. The average Italian farm measures just 14 acres (5.6 hectares), next to a European average of nearly 35.

### BRIEFLY

#### U.K. Targets Drunken Drivers

LONDON — British police said on Wednesday they were lobbying the government for greater powers to target a hard core of drunken drivers.

Paul Manning, a senior officer of London's Metropolitan Police, said police want the authority to monitor the homes and drinking places of persistent offenders.

They also want general legal powers to stop those suspected of being over the legal drinking limit. Under current laws, police must have a reason to stop motorists to conduct breath tests.

"Despite all the publicity and education, people are still prepared to go out and put their lives and the lives of others at risk," Mr. Manning said at a press conference (Reuters).

#### Paper Warns of ETA Power

MADRID — The Basque separatist group ETA has the power to commit major attacks either in Spain or France, a Spanish daily reported Wednesday.

Confidential documents of the Civil Guard showed that ETA had "the experience and the necessary skills to carry out terrorist attacks, including those of great importance, such as assassination attempts on King Juan Carlos or Prime Minister Jose Maria Aznar," the Madrid daily El Mundo said, citing unidentified anti-terrorist sources.

ETA has killed nearly 800 people, mostly Spanish security force members, since it began fighting in 1968 for the independence of Spain's three Basque provinces. (AP)

#### Kohl Rejects a Deal on Tax Cut

BONN — Chancellor Helmut Kohl of Germany said Wednesday he would not water down his failed, ambitious tax cut proposal and ruled out fresh talks with the opposition

Social Democrats on a possible compromise. "It is now up to voters to make the decision about the tax reform on Sept. 27," when Mr. Kohl will stand for a record fifth term in parliamentary elections, a spokesman said.

Deadlock over tax reform marked German politics last year and has spilled over into this year's election campaign. The Social Democrats, who used their upper-house majority to kill Mr. Kohl's tax cut in Parliament last fall, urged the government Tuesday to declare whether it was ready to negotiate a compromise.

But the spokesman said the government was sticking to its plan for a "sharp and balanced lowering" of all individual and corporate taxes. (AP)

#### Czech Far-Rightist Is Detained

PRAGUE — The head of the far-right Czech Republican Party, Miroslav Sladek, has been detained in connection with allegations of incitement to racial hatred, the CTK press agency reported Wednesday.

Mr. Sladek, 47, was placed in custody Wednesday after being picked up as he left Parliament on Tuesday, the agency said. His parliamentary immunity was lifted in February.

His detention stemmed from an incident Jan. 21 when he set fire to a German flag as Germany and the Czech Republic signed a declaration of reconciliation. (AFP)

#### Trial Date Set in Gucci Slaying

MILAN — Maurizio Gucci's former wife and four others were ordered Wednesday to stand trial in the spring for 1995 murder of the fashion scion.

A lawyer for Patrizia Reggiani Martinelli, Mr. Gucci's former wife, said a judge set the starting date for April 16. Mr. Gucci, the 46-year-old grandson of the founder of the famous fashion company, was shot as he walked inside his office building in central Milan on March 27, 1995. (AP)

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## INTERNATIONAL

## With Defections, How Long Can Netanyahu's Shaky Coalition Last?

By Serge Schmemmann  
New York Times Service

JERUSALEM — The lead item on Israel's Channel 2 news program was that Defense Minister Yitzhak Mordechai had failed to attend a scheduled meeting with Prime Minister Benjamin Netanyahu, instead visiting with troops in southern Lebanon.

A few weeks ago, nobody would have cared. But that was before Foreign Minister David Levy and his five-man faction walked out of the governing coalition Sunday, so that just one more defection could topple Mr. Netanyahu's government.

With that political calculus in mind, it was enough for a popular politician like Mr. Mordechai not to heed the prime minister's summons to set off a feverish round of speculation that the defense minister might be the next to defect.

The meeting Mr. Mordechai missed Tuesday, a discussion of preparations for the visit of Dennis Ross, the American mediator in the Middle East, was one in which the defense minister is bound to play a crucial role.

Mr. Mordechai's comment, when asked why he had missed the meeting, offered little guidance: "Yes, I heard on the radio that there was some

kind of meeting." Mr. Mordechai has consistently ranked above Mr. Netanyahu in popularity polls. With the resignation of Mr. Levy from the government, and of Finance Minister Dan Meridor before him, the defense minister has become increasingly isolated as a moderate in a cabinet dominated by religious and ideological hawks.

With Mr. Netanyahu's volatile coalition now holding only 61 votes in the 120-seat Parliament, Mr. Mordechai, or any other member of that bare majority, has the power to bring down the government.

And with the cabinet ministers torn on virtually every issue, there is a spreading sense that Mr. Netanyahu simply cannot continue the extraordinary juggling act that has pulled him through almost unceasing crises, scandals and rebellions in the last 19 months.

"This is the last supper," declared Justice Minister Tzahi Hanegbi, a political ally of Mr. Netanyahu's, after a meeting of the coalition on Monday night. "It must be said truthfully: If Levy doesn't come back, the government has no chance of lasting."

That conclusion seems to be shared by everyone but Mr. Netanyahu, who continues to insist confidently that he will survive. The question that almost everyone else has been discussing is how

he will fall. The immediate challenge, in which Mr. Mordechai figures prominently, is the American pressure on Israel to come up with a "credible and significant" further withdrawal in the West Bank by the time President Bill Clinton meets Mr. Netanyahu on Jan. 20 and the Palestinian leader, Yasser Arafat, two days later.

Mr. Ross arrived Tuesday to prepare for these

## NEWS ANALYSIS

meetings and, most likely, to test Israel's rolling political waters.

The problem is that without Mr. Levy, the balance of power in the cabinet has shifted decidedly rightward, leaving Mr. Netanyahu with less room to cede to the Palestinians the 10 percent to 15 percent of the West Bank that the Americans are said to expect.

One group of hard-line legislators, known as "Force 17" after Mr. Arafat's personal security force of the same name, has vowed to vote against any proposal that surrenders even an inch of Israeli-controlled land. At the same time, the Third Way Party, another member of the coalition, has vowed to pull its four members out if Mr. Netanyahu stiffens the Americans.

Mr. Netanyahu's ace in this struggle is his faith,

tested through many previous showdowns, that most members of the coalition really do not want elections. Although the old leaders of the Likud are openly disdainful of the prime minister, their great fear is bringing the Labor Party back to power.

At Monday night's meeting, Infrastructure Minister Ariel Sharon, a hawk who has steadily gained power in the coalition, told his colleagues: "When I was young and the horse was tired and couldn't move the cart any longer, I would get down and put a stone under the wheel so that the wagon wouldn't roll away."

Let anyone misunderstand, he added: "I don't want the Labor Party to come back."

The one party that is certain of gaining is Shas, a religious party based among North African and Middle Eastern Jews. But Shas already has 10 seats and has been getting what it wants from Mr. Netanyahu, so it has little interest in bringing him down.

Instead, its leader, Ariel Deri, wants to bring the Labor opposition into a "national unity" government, something Mr. Netanyahu and Ehud Barak, the Labor leader, dismissed for now.

Most other parties simply do not know what would happen in an election.

The Russian-based Yisrael B'Aliya led by Natan Sharansky, for example, has been increas-

ingly disenchanted with his failure to bring home concrete benefits and would probably feel badly about the parties feel, the tabloid Yedioth Ahronot asked spokesmen for six parties in the coalition whether elections were in the offing.

The National Religious Party declared that they were not. Yisrael B'Aliya said it hoped they were not. The strictly Orthodox United Torah Party said it appeared that they were. Shas said there was no chance that the government would complete its full term. The rightist Tsomet faction said it supported early elections.

According to various officials close to Mr. Netanyahu or Mr. Levy, the prime minister has decided to go out of the political bind. His plan is to win the cabinet's approval for a withdrawal to the Americans would accept and to link it to negotiations on a final settlement, then to link the entire proposal to a series of conditions that the Palestinians would either reject or fail to fulfill, like surrendering prisoners to Israel.

Once the process became stalled, he would call elections himself, saying he needed a national mandate to pursue "peace with security."

For this reason, Mr. Netanyahu's plan, have avoided comment on Israeli proposals, preferring to channel their reactions through the Americans.

## U.S. Religious Leaders Say They Will Visit Tibet

Delegation Reportedly Gets Chinese Permission

By Philip Shenon  
New York Times Service

WASHINGTON — American religious leaders traveling to China to investigate religious persecution will be permitted to visit Tibet on their trip, according to members of the delegation.

Clinton administration officials said they would welcome a visit to Tibet by such a high-ranking delegation, given the continuing reports of human-rights abuses against Buddhists in Tibet, the remote and mountainous region that is usually off-limits to human-rights investigators.

China has long bristled at American criticism of its treatment of Tibet, which it annexed by force in 1951, and its irritation over the issue has grown in recent months with the release of two big-budget Hollywood films that depict Chinese atrocities against Tibetan Buddhists. Tibet has long sought greater autonomy from China.

The delegation, selected by the White House and the State Department, consists of the Reverend Don Argue, president of the National Association of Evangelicals; the Most Reverend Theodore McCarrick, archbishop of Newark; and Rabbi Arthur Schneier of Park East Synagogue in New York, who is also president of the Appeal of Conscience Foundation.

The Chinese agreed during the summit meeting last October between President Bill Clinton and President Jiang Zemin of China to allow an American religious delegation to visit China, although the dates of the trip and the itinerary were not made public at the time.

Spokesmen for the White House and the State Department said the United States has still not received official confirmation from the Chinese government of the delegation's itinerary, although one official said that "it would be remarkable

at this point if they didn't visit Tibet."

A member of the delegation, speaking on condition that he not be identified, said the group had insisted on a visit to Tibet and that "we've been told by the Chinese officials that we're going to go definitely."

During the three-week visit, which is scheduled to begin Feb. 8, the delegation plans to meet with senior Chinese leaders in Beijing and press them to release imprisoned clergy, including several ranking leaders of underground Christian churches in China.

The treatment of Chinese Christians, especially evangelical Christians and Roman Catholics, has been a subject of growing concern to Christian leaders in the United States and members of Congress.

While the Beijing government permits Christian worship, it has imprisoned the leaders of churches not officially recognized by the Beijing government. The harsh treatment of Chinese Catholics dates to the 1950s, when the Communists expelled the last papal representative and set up a church under Communist control, the Patriotic Catholic Association.

Delegation members said they were hopeful that the Chinese government would allow them unrestricted access to religious leaders in China, including those in prison.

"The Chinese have to understand that if they want a long-standing relationship with the United States, it cannot be built on trade alone, and that there are strong religious communities in the United States with impact on American foreign policy," one of the organizers said.

While the trip is being arranged largely by the White House and the State Department, it will be paid for by groups affiliated with the religious leaders, not by any government.



Mr. Khatami, with Nawaz Sharif of Pakistan in July, has a message for U.S.

## IRAN: Khatami Said to Seek Better Ties

Continued from Page 1

The State Department spokesman, James Rubin, said Tuesday that Washington was willing to open a dialogue. But he also said the administration would raise concerns about Iran's development of weapons of mass destruction, its support for terrorism and its opposition to the Middle East peace process.

Washington severed ties with Iran in 1979 after militants loyal to the revolutionary government of Ayatollah Ruhollah Khomeini stormed the U.S. Embassy in Tehran and took 52 American hostages for 444 days.

## Resistance From Hard-Liners

Mr. Khatami's steps have provoked resistance from hard-liners, the Los Angeles Times reported earlier, most notably Ayatollah Sayed Ali Khamenei, the religious leader who last week sharply

dismissed any suggestion that U.S.-Iran relations were on the mend.

Conservatives in Iran have never liked Mr. Khatami, and in recent days they have stepped up their criticism of any change in policy toward the United States.

Over the airwaves, at mosques and in newspapers they have declared that America remains the No. 1 enemy and that any talk of rapprochement is a fantasy.

"Any hands that reach out to America should be cut off," said the hard-line newspaper Jomhuri Islami.

A historian, Sadiq Zibakalam, said Mr. Khatami had been "under a lot of pressure from supporters and opponents of rapprochement."

Unless President Bill Clinton responds with "tangible and realistic signals," he said, it will be difficult for Mr. Khatami to overcome the resistance to improved relations.

## BOTH: Facing Trial in South Africa

Continued from Page 1

"confession avoidance." It explained apartheid and the predicament faced by the government then, but did not suggest any guilt.

Several officials have said that Mr. Botha and other senior officials not only knew of abuses committed but also ordered them.

If he is found guilty of obstructing the commission's work, Mr. Botha could face two years in jail or a fine of indeterminate size. While he has refused to appear before the Truth Commission, his lawyers have assured Mr. Kahn that he will appear in court, the attorney general said.

The commission's mandate, which expires in July, is to investigate apartheid abuses, offer reparations to victims, confer amnesties to perpetrators in exchange for full disclosure and then patch together a comprehensive picture of the apartheid-era conflicts.

But the two living former presidents from that era — Mr. Botha and Frederik de Klerk — have been nearly impossible to pin down. Although he denied any knowledge of atrocities, Mr. de Klerk cooperated with the Truth Commission. But Mr. Botha has criticized it in the press and defied three subpoenas.

As president from 1984 to 1989, he led the State Security Council, which sat at the pinnacle of an elaborate security apparatus whose main goal was to maintain the apartheid state, which meant fighting those seeking black majority rule.

According to evidence submitted to the Truth Commission in private amnesty applications from senior security officials and from testimony presented publicly, that council's strategy included infiltration, bombing and assassination.

Among the allegations against Mr. Botha that have been publicly disclosed, a former South Africa police general, Johan van der Merwe, testified that the



Pieter Botha, facing prosecution.

former president gave the order for the bombing of the Johannesburg headquarters of the South African Council of Churches in 1988.

Eugene de Kock, a convicted murderer and former colonel who led a covert police hit squad, said during his trial in 1996 that Mr. Botha ordered the bombing in 1987 of the headquarters here of the Congress of South African Trade Unions, a labor federation.

And Magnus Malan, a former defense minister, told the Truth Commission during hearings on the State Security Council last month that Mr. Botha ordered raids across the border into Zambia, Botswana and Zimbabwe in 1986. During those raids, South African commandos killed several people, including children, suspected of involvement in the anti-apartheid cause.

## BRIEFLY

## Iraq Set to Resume Its Exports of Oil

BAGHDAD — Iraq will resume oil exports this week under the oil-for-food program approved by the United Nations, the oil minister said Wednesday.

The announcement was made a day after the UN approved Iraq's plan for distributing humanitarian supplies purchased with oil revenues. Iraq stopped exports last month pending approval of the plan.

Oil Minister Amer Mohammed Rasheed said that the UN sanctions committee was expected to endorse the proposed oil pricing plan in 48 hours. The plan outlines Iraq's oil sales strategy during the third phase of the oil-for-food plan.

The Security Council approved the third phase of the program on Dec. 4, but Iraq refused to pump oil until its food distribution plan was approved. It also delayed oil sales at the start of the second six-month period last June on similar grounds.

The program lets Iraq sell \$2 billion in oil over a six-month period to buy food, medicine and other humanitarian goods. It is an exception from the sanctions imposed after Iraq's invasion of Kuwait in 1990. (AP)

## Mexico Picks Woman As Foreign Minister

MEXICO CITY — President Ernesto Zedillo named Senator Rosario

Green as foreign minister Wednesday, making her the first woman to hold that post in Mexican officials said.

She replaced Jose Angel Gurría, who was appointed to run the Finance Ministry on Monday. Announcing Senator Green's appointment on television, Mr. Zedillo said she had wide international and diplomatic experience, including spells as deputy foreign minister, ambassador to the former East Germany, Mexican representative at the World Bank and UN assistant secretary-general.

Senator Green said she had already asked for a leave of absence from Congress, where she represents the governing Institutional Revolutionary Party. (Reuters)

## Kenyan Vote Protest

NAIROBI — Kenya's second-ranking political party said Wednesday that it would file a legal challenge to President Daniel arap Moi's fifth electoral victory.

"We will take Moi to court," Jackson Munyao, secretary-general of the Democratic Party, said at an opposition rally. He spoke in Uhuru Park in Nairobi, where Mr. Moi took the presidential oath Monday.

"Reject the election results," Mr. Munyao told at least 2,000 supporters. In contrast to past opposition events, no police officers were deployed to control the crowd.

Mr. Moi won the election with 40 percent of the vote. His nearest challenger was Mwai Kibaki, the Democratic Party's candidate, who gained 31 percent. (AP)

## ROME: Killing Alarms Gay Community

Continued from Page 1

ago, said they had notified the police after he did not respond to knocking at his door and to phone calls. News reports said that a pornographic film was found in a video recorder and that tape marks on his wrists and neck appeared to indicate that he may have been engaged in some kind of sexual play when he died.

Police officials said that autopsy results showed that Mr. Sini Luzi died in the night between Sunday and Monday after his skull was crushed by a large, heavy object.

They said investigators were pursuing the likelihood of a gay murder, though they were not excluding other motives, including robbery.

National newspapers Wednesday published photographs of Mr. Sini Luzi, a smiling, bespectacled man, together with Pope John Paul II or standing in the Vatican clad in the black cutaway and decorations of a Gentleman of His Holiness, a select group of laymen, usually of noble background, who assist the Pope during audiences in the papal palaces.

Formerly known as papal chamberlains, they received their present title after the reform in 1968 of the papal court ceremonial under Pope Paul VI.

The Annuario Pontificio, a sort of Vatican handbook, lists Mr. Sini Luzi as having been in the volunteer papal service since April 1989.

The Vatican has not commented on the case.

The daily newspaper of the Italian Catholic bishops' conference, Avvenire, reported in a brief notice on Page 8 that Mr. Sini Luzi, whom it identified only as "E. S. L., a Roman nobleman," died earlier this week, presumably the victim of violence.

Gay rights leaders said it was precisely this sort of silence that fostered Italy's climate of anti-gay violence.

In a statement, the Arcigay group called on the Vatican to clearly condemn violence against homosexuals.

The Vatican has said that it does not condemn homosexuality but the practice of homosexual acts.

Mr. Grillini accused the Vatican and the Catholic hierarchy of creating a "homophobic atmosphere" that he said was "in large part responsible for this culture of violence."

Some members of Mr. Sini Luzi's family strenuously denied he was homosexual. "He was not a person of certain habits," Mr. Sini Luzi's brother, Lillo, was quoted as having said.

## ALGERIA: Where Are the Peacemakers?

Continued from Page 1

not going to get anywhere." Algeria is a vast country, a regional power with important petroleum resources, one that most other states hope will prevail in its struggle against Islamic extremism, even while many have expressed concerns about the way that government is approaching the problem. Some observers say the government is a part of the problem, at least tacitly accepting the violence in hopes it will spur public rejection of the extremists.

Without the consent of the Algerian government, or of the extremists, for that matter, there is almost nothing the international community can do "unless it is willing to forcibly go in and make peace," said a former U.S. official involved in the Burundi peace-making effort.

Most other governments have generally supported the Algerian government and the elections it organized last year, though that support has begun to erode amid the continuing violence.

"I don't think anybody is advocating that we want to weaken the Algerian government," said Terrence Lyons, a specialist in conflict resolution at the Brookings Institution in Washington. "We want to help it overcome the conflict, not to overthrow it."

Further complicating matters, the government with the longest, closest and deepest ties to Algeria's — France — is also one that many Algerians feel least disposed to listen to because of the long and bitter colonial past.

Other European countries, as well as the United States, have generally left it up to France to take the lead in the matter. The French, scorched by Algerian official reaction and fearful of the threat of terrorism on their own soil, as well as the prospect of an increasing flow of Algerian immigrants, have been wary of taking that lead.

Some of the international organizations with the closest links to Algeria, like the Organization for African Unity and the Organization of the Islamic Conference, have dealt with the problem gingerly if at all.

The UN Commissioner for Human Rights, Mary Robinson, has asked Algeria to allow an international inquiry team into the country.

During a meeting Tuesday with Washington's ambassador to Algiers, Cameron Hume, Algerian officials said they would allow a UN special rapporteur to pay a visit, the State Department spokesman, James Rubin, said. "That idea, as far as we know, has not been rejected by the Algerian government and it is still a possibility," he said.

Where Does Gates Want To Go Now?  
Microsoft's Horizons  
Are Just, but Regulators  
May Build Some Fences

مكتبة جازي



# TribTech

## Coalition Last

### Where Does Gates Want To Go Now?

Microsoft's Horizons Are Vast, but Regulators May Build Some Fences

By Steve Lohr  
New York Times Service

NEW YORK — The bonny U.S. television commercials set to rock music show scenes of consumerism, happy people of all walks of life using Microsoft products. They end with the uplifting question: "Where do you want to go today?"

The ads speak of unlimited horizons, an apt sentiment coming from Microsoft Corp. The software giant has had another banner year of remarkable growth and profitability. It has expanded into new fields with investments in everything from cable television to voice-recognition software. Microsoft has \$9 billion in cash, no debt and ambitious plans.

Microsoft, it seems, can go just about anywhere it wants this year, unless the government stops it. The chances that the government might get in Microsoft's way, though still uncertain, have increased lately as antitrust officials at the Justice Department have aggressively pursued the company in court.

Where Microsoft decides to go, wherever it steps, has a ripple effect across the computer industry. Its wealth and market power are such that no start-up software company can even consider opening its doors without first hand-capping Microsoft's intentions.

Customers may complain about certain program features, but they keep on buying Microsoft offerings by the truckload. That is why Microsoft is one of the most admired companies in the world, why it has a stock market value that is more than three times that of General Motors Corp. and why its chairman, Bill Gates, is not only America's richest person but also a national hero to many.

So where is Microsoft headed? Microsoft executives and industry analysts talk of three trends.

First, the company wants to go further into the industrial-strength heart of corporate computing with its Windows NT operating system and server software. The buzz phrase: Microsoft applies to this market is "high-performance network computing." The main corporate targets are Sun Microsystems Inc., Novell Inc. and International Business Machines Corp.

Jeffrey Raikes, Microsoft's vice president for sales and marketing, said: "In corporate America, the debate about switching to Windows NT has moved from 'if' to 'when' and companies are increasingly using Windows NT for what they used to use Novell and Unix for. That's a very positive trend for us."

Microsoft is also investing to extend its reach further into American households. Conventional PCs, even with prices for some models moving below \$1,000, are still costly for a mass-market device.

The new frontier for distributing Microsoft software is television, or some future variant of television. That explains Microsoft's purchase, for \$425 million, of WebTV Networks Inc., which developed technology for delivering Internet services to televisions.

Similarly, Microsoft's \$1 billion investment for a stake in Comcast Corp., the fourth-largest U.S. cable-TV operator, is intended to encourage cable companies to invest in upgrading their networks to handle Internet services.

"WebTV is the terminal device," said David Yoffie, a professor at the Harvard Business School, "and cable television is the connecting device — the high-speed conduit — for Microsoft driving itself into every living room in the United States and later in the world."

"This is an expansion of Bill Gates' original vision of Microsoft software on every desktop," Mr. Yoffie added. "Now, he's going for every home as well."

The beyond-the-PC move into the home, analysts say, is Microsoft's effort to extend its core software business in a major new market, just as Windows NT is taking the company deeper into corporate computing.

The third big trend at Microsoft seems to be a retooling of its media strategy, after heavy losses at its MSN on-line service. The emphasis, industry executives say, will now be more on on-line commerce, such as the company's popular Expedia travel site, and less on producing on-line programming.

The wild card in Microsoft's future is Washington — the government's antitrust challenges to its marketing practices. Later this year, a federal judge is expected to issue a final ruling on the suit alleging that the company is violating a 1995 consent decree. Microsoft, the government charges, is using its near-monopoly on computer operating systems to try to unfairly gain control over the market for Internet browsing software.

Microsoft has said it will push ahead with the introduction of the next version of its operating system, Windows 98, in the second quarter. It is sticking to that plan despite a judge's temporary ruling that the company must allow computer makers to separate the operating system from the company's Internet software.

In addition to the Justice Department suit, several state attorneys general are investigating Microsoft, as are antitrust officials in Europe. So far, the scrutiny has not curbed its product plans or marketing practices in any significant way. The only certainty on that front is that as long as Microsoft retains its grip in the market, the scrutiny will continue.



"Mistaken Identities, 1996," an interactive CD ROM created by Christine Tamblyn.

### The Emerging School of 'Cyber Art'

Information Technology Gives Birth to Cocktails of Images and Texts

By Paul Lewis  
New York Times Service

NEW YORK — Technological advances and artistic innovation have always gone hand in hand. Without the advent of slow-drying oils in the 15th century, Renaissance painters would not have turned to such subtle coloring and shadows. Without printing, professional novelists may not have emerged. Without certain instruments, some musical classics would not exist. Liszt could never have composed the "Année de Pélerinage" if the piano had not replaced the harpsichord.

Now a school of modernist artists is trying to create a new electronic art form based on the latest information technologies. Using digital imaging techniques and the worldwide Internet, these artists work with computers to mix cocktails of images, texts and sounds that are stimulating to ear, eye and mind, and are instantly available through the Web to an audience of millions.

What many of these "cyber artists" might consider is that they work in the unlikely offspring of the Cold War. Most of the technologies they use — digital imaging and the Internet itself — were developed for military research and have only become readily available since the Cold War's demise as manufacturers seek new markets for them.

The growing popularity of cyber-art — which more than any other art form, some say, is dependent on technology — is leading some art historians to praise the relationship between science and art. It is also spurring an examination of the impact of these new forms on artistic tradition and the audience.

In "Techniques of the Observer," a study of modernist artistic vision, Jonathan Crary of Columbia University argues that the roots of the whole modernist movement — of which cyber-art is merely the latest example — lie in the science and technology of the early 19th century.

"In this book I have tried to give a sense of how radical was the reconfiguration of vision by the 1840s," Mr. Crary writes. "If our problem is vision and modernity, we must first examine earlier decades, not the modernist paintings of the 1870s and 1880s."

He cites such developments as medical research into the eye and the advent of such entertaining devices as the stereoscope, which created what he calls "subjective vision" and encouraged artists to see the world in new ways.

Turner and other painters experimented with light decades before Monet and the other Impressionists did. In the 1850s, the critic John Ruskin defined a new kind of artist when he urged painters to recover that "innocence of the eye" that would allow them to see objects "as a blind man would see them if suddenly gifted with sight."

The impact of information technologies on the art world is even more revolutionary, Mr. Crary says. He argues that cyber-art represents "a transformation in the nature of visuality probably more profound than the break that separates medieval imagery from Renaissance perspective."

No longer is the artist an "observer" seeking to depict an external reality from a fixed point in space. Instead he is creating images that exist only in electromagnetic form, have no fixed relationship to him in space, yet can be seen simultaneously by the whole world.

HISTORY is filled with examples of new technology that enabled new art forms to develop while vastly widening the audience. Printing created the best-seller — first the Bible, eventually the novel. Lithography, an inexpensive printing process that also permitted wide distribution, brought art out of palaces and galleries and into ordinary homes.

But if science is often the leader, it is

also led: Sometimes esthetic needs are the motor of technological invention. French hydraulic engineers developed techniques to supply fountains at Versailles, not to bring clean water to Paris. And the oxygen blowtorch of today is the direct descendant of the blowpipes used for centuries to make glass ornaments.

In a 1970 essay, "Art, Technology and Science," Cyril Stanley Smith of the Massachusetts Institute of Technology offered examples of new technologies that developed first in what he termed "an esthetic environment."

He theorizes that the first use of metal, in the fourth millennium B.C., was for decorative buttons. Bronze was cast as church bells for centuries before it was used for cannons. Medieval illuminators developed metallic powders for the silver and gold ink they used.

Art scholars argue that the new "global information culture" has tremendous implications for artists and their audiences. Barbara Stafford, an art historian at Chicago University, says cyber-art will "change the structure of the art world" by allowing "anyone to make art and show it to the world."

For Ronald Jones, director of the Digital Media Center at Columbia University, the emergence of cyber-art shows that "our culture is embracing information as a medium for the artist to work with," with far-reaching implications.

Artists are becoming technicians again as they were in Renaissance days, he said, because they must learn to write software and operate the more sophisticated computers. They are rethinking relationships with audiences they never see. And they are forced to reconsider the nature of originality by working in a medium that permits infinite reproduction and distortion of any image.

Still, there is an undercurrent of dissatisfaction with the quality of the cyber-art so far. "I'm struck by the similarity of the images," Ms. Stafford admits.

"It's art all right, but we have not yet seen a great computer artist," says Robert Storr, curator of painting and sculpture at the Museum of Modern Art. So far, he said, "these artists still seem more interested in the technology itself and not in what it could express."

#### SITES

Some cyber-art sites on the Internet:  
• The Cooper Union for the Advancement of Science and Art is at: <http://www.cooper.edu>  
It has a special multimedia art exhibit called techno.seduction at: <http://www.cooper.edu/art/techno>  
• An exhibit of Christine Tamblyn's work: <http://lmah.lehman.cuny.edu/tbl/Cenartamblyn.html>

#### ALT / Commentary

### Seeking Internet Center For Europe and Asia

U.S. Companies Look for City With Savvy

By Victoria Shannon  
International Herald Tribune

PARIS — Quick: Which capital city holds the title of the center of the Internet in Europe? How about in Asia?

O.K., here's an easier one: Which city would like to be seen that way? The answer is, of course, most of them.

That is what Jeff Richards, executive director of the Interactive Services Association based near Washington, is finding. His organization, a leading U.S. Internet trade group, wants to establish both European and Asian offices this year.

Perhaps like other Internet concerns from the United States, his early inquiries have not helped to narrow the field much. Mr. Richards' short list in Europe includes Amsterdam, Berlin, Brussels, London and Paris. In Asia, under consideration are Hong Kong, Kuala Lumpur and Sydney. The right location has that hard-to-define, just-so mix of culture, creativity, commerce — and Internet savvy.

The ISA, which promotes Internet public policy issues on behalf of its members, already has international companies on its roster, such as NTT Chubu Directory of Japan; Telecom Finland; Alcatel Business Systems of France; Deutsche Telekom AG of Germany; and Star Publications of Malaysia.

Many of the rest of its 350 members are big-name brands familiar to Internet users the world over: Microsoft, America Online, AT&T, Intel, MasterCard.

"We want to work with companies to build the confidence and trust necessary to make the Internet a mass-market medium," Mr. Richards said. "That's not a U.S.-centric goal."

Indeed, with use of the Internet burgeoning outside the United States and hot-button issues like privacy, taxes and copyrights being pushed by governments worldwide, Mr. Richards and his board are naturally eager to establish influence there.

But where? It certainly would not mean much in business terms to land the ISA office; total staff might be all of a person or two. And the amount of prestige hooking the ISA would bring is in the eye of the beholder. Counting loosely, about 30 U.S. groups claim to represent the interests of the Internet in some fashion.

If the major criterion is proximity to governments, Geoffrey Yu suggests Geneva. Mr. Yu is director of the office of global communications at the World Intellectual Property Organization, which long ago left Bonn to be near the United Nations' outpost in — Geneva.

"It's a natural for nongovernmental organizations that need easy access to world policymakers," he said. "In the European context, it would have to be between Geneva and Brussels."

But Mr. Yu wonders whether it matters where. "Personally speaking, isn't the nature of the Internet such that you could be located anywhere?"

Yes, but Mr. Richards needs access to clout as well as access to coolness. At this preliminary stage, Mr. Richards said, the conversations with

European business and city leaders have had three common links. One is emotional. "Everybody is rushing to be the hot Internet city. They want to be where it's happening. It was, 'Come help us ignite the heat here — we're going to be 'the place,'" he said.

The second theme is geography. Even if a city is not yet the emotional center, geographically it is close to the New Europe emerging under monetary union — near the seat of European Union government. Of course, Brussels sort of has that one locked up.

The third thread is educational. City officials and business leaders are looking for guidance on making smart Internet policy. Mr. Richards said, and they think the ISA can provide it. They want to figure out how to intelligently protect the Internet, its consumers, the businesses that want to make money — as well as their national interests — and they see the Interactive Services Association as a tool in that quest.

In particular, Elmar Pieroth, economics minister in the Berlin government, grilled Mr. Richards about what qualities made up a Silicon Valley, how to create a hip, in-the-know geek culture that would attract Internet business, he said.

If Mr. Richards knew that magic recipe, he could create his own European headquarters from scratch. But it's not quite as easy as tossing together a few college campuses, throwing in a pinch of creativity and mixing well with commerce. The formula is undoubtedly as ambiguous, ambitious and anarchic as the Internet itself.

It is also not clear that there needs to be a single geographic center. The soul of the Internet, internationally, will remain in its ether.

Still, the ISA needs a place to hang its hat abroad, a home base from which to influence national and international policy from the ground up — no easy task.

"I've done enough business outside the country to not take much for granted," Mr. Richards said about the prospects of lobbying across the Atlantic.

But Mr. Richards would be grateful if the ISA and some sway. A mid-sized association with a \$2.5 million budget, the ISA could conceivably balloon this year into a \$10 million association, he said. Last month, it merged with another trade group, the Online Professionals Association.

In the end, it may not matter whether any European capital city claims to be the cultural core of the Internet. The draw of the seat of government may be too much for any other city to overcome. Because of the EU, Mr. Richards concedes, Brussels has something no other place can offer.

Victoria Shannon can be e-mailed at [vshannon@aol.com](mailto:vshannon@aol.com).

#### SITES

Here are related sites on the Internet:  
• The Interactive Services Association is at: <http://www.isa.net>  
• The World Intellectual Property Organization is at: <http://www.wipo.org>  
• A multilingual welcome site to the European Union is at: <http://europa.eu.int/>

### Companies Begin to Come to Terms With 'Millennium Bug' Panic

By Saul Hansell  
New York Times Service

NEW YORK — For several years, technological doomsmongers have bleated a dark prophecy of computerized chaos to be brought on by the inability of many computers to interpret dates after 1999. Repair your programs now, they intoned, or be prepared for your systems to freeze in millennial joy. Though it has been hard to know how seriously to take these predictions,

with less than two years to go, clues are emerging. Much of the evidence supports the view that the year 2000 problem is, indeed, a big deal, and computer users are slowly coming to this realization.

A recent survey of 108 technology managers and big companies by Cap Gemini SA, a French software consulting firm, found that four out of five had initially underestimated the cost of fixing the problem. And 7 percent have already had computer failures related to the problem.

"A lot of companies, when they found out how

big the problem was, just went into a caustonic state," said Jim Woodward, the head of Cap Gemini's year 2000 practice.

Cap Gemini and many other companies that had hoped to profit from selling year 2000 repair services have found business to be slower than they had predicted. Last year, Mr. Woodward said, "was a missed opportunity for many companies to have their work done at a lower cost."

"You can read this two ways," said Edward Yardeni, chief economist of Deutsche Morgan

Grenfell, who has warned of a global economic slowdown from computer errors. "Either there hasn't been enough recognition of the problem, or it's not really such a big deal. I pick door No. 1."

That is not to say that some companies are not worried. BankAmerica Corp. has established two bonus pools: \$30 million to be shared by those among its 600 computer experts who stay with the company and see the dawn of the millennium through, and \$50 million that is open to all other employees who help spot impending bugs.

TECHNOLOGY INDEX			
A glance at technology stock indexes around the world			
	Tuesday close	% change previous week	% change year to date
North America			
Pacific Stock Exchange Technology	295.56	+1.72	
Standard & Poor's Technology Composite	716.36	+2.35	
Europe			
Morgan Stanley Eurotec	454.61	+1.58	
Asia			
Topix Electric	1686.17	+2.55	

Sources: Morgan Stanley, Bloomberg News  
For technology articles from the past week, see the Technology Index on the IHT's World Wide Web site at <http://www.ihl.com>. Articles include:

- IBM to Shun Computer-Industry Trade Show Dec. 31, 1997
- Beijing Tightens Controls of 'Hamlet' Internet Use Dec. 31, 1997
- Judge's Ruling Reverses Telecom Law in Favor of Regional Bell Jan. 2, 1998
- Siemens Sets Deal With Motorola Jan. 2
- EU Phone Market Open? German Users City Foul Jan. 3
- When the Calendar Short-Circuits a Sale—Year 2000 Computer Problem Jan. 3
- Europe Has Updated Equipment to Deal With Millennium Problem Jan. 3
- Tech Talk: Silicon Valley's Original Location Jan. 3
- Forget James Bond: The New Interpol is the Real Thing Jan. 3
- New Mission to the Moon? U.S. Craft to Prospect for Natural Resources Jan. 4

To reach TribTech editors or to comment on IHT technology coverage, send e-mail to [tribtech@ihl.com](mailto:tribtech@ihl.com). International Herald Tribune

#### BRIEFLY

• **ON-LINE IN GERMANY:** America Online Inc. said Wednesday it planned to expand its on-line network in Germany and promote it with a large television advertisement campaign. AOL Bertelsmann Online GmbH, a venture with Bertelsmann AG, said it would introduce a single access number for its service early this year that would enable the company's 800,000 German subscribers to log on for the cost of a local phone call. Before telephone industry deregulation took effect Jan. 1, only T-Online could offer a single access number because it was controlled by Germany's monopoly phone carrier, Deutsche Telekom AG. (Reuters, Bloomberg)

• **CLOAK AND MOUSE:** For some time, the Central Intelligence Agency has kept a "frequently asked questions" list on its World Wide Web page. One question is: "Does the CIA spy on Americans? Does it keep a file on you?" The answer has been loud and clear: "No. The Central Intelligence Agency is expressly prohibited by executive order from doing those things." The Center for National Security Stud-

ies, a U.S. civil liberties group, argued that the agency's assertion wasn't true and that the CIA kept files on its client, Daniel Tsang, a political activist and librarian at the University of California at Irvine. So the group wrote the agency in November asking it to correct the site.

The agency called the center and gave a new answer on spying on Americans: "The CIA is specifically prohibited from collecting foreign intelligence concerning the domestic activities of U.S. citizens," the new answer reads. "Collection is allowed only for an authorized intelligence purpose; for example, if there is a reason to believe that an individual is involved in espionage or international terrorist activities."

So there you have it: The agency will never, ever spy on you — unless it really feels it should. (WP)

• **SYSTEMS CHECK:** Dreams are often filled with strange images that trigger strong emotions. Now, new research offers clues about how — and possibly why — the brain generates nighttime reveries. Researchers at the National Institutes of Health and the Walter Reed Army

Institute of Research in Washington used "positron emission tomography" scans to determine precisely which parts of the brain became active in 10 men while sleeping.

During "rapid eye movement" sleep, when most intense dreaming occurs, activity occurred in the more primitive parts of the brain like the limbic system, which is known to modulate emotions and long-term memories. At the same time, areas like the prefrontal cortex, which is involved in "higher-order" mental processing, remained shut down, according to a report in the journal Science.

The findings help explain why dream-world images are often so bizarre, nonsensical and laden with emotions, says Allen Braun of the National Institute on Deafness and Other Communication Disorders, one of the researchers.

Dream sleep may be a "systems test" designed to check if the more advanced parts of the brain are ready to awaken. And dreams themselves may be merely the brain's efforts to make sense of this activity, says Thomas Balkin, a researcher. Whether the images have meaning remains the province of poets, philosophers and psychologists. (WP)







OPINION/LETTERS

# A U.S. Budget Surplus? Use It to Pay Down Debt

By David S. Broder

WASHINGTON — No one can accuse official Washington of lacking a sense of humor, not when the politicians and pundits are falling over each other arguing about what to do with the unexpected budget surplus.

The remarkable discovery that the Treasury took in \$2.5 billion more in revenues in the last 12 months than it spent was followed Monday by President Bill Clinton's announcement that he will submit a balanced budget for fiscal 1999. The prospect of a surplus has unleashed a cascade of talk about new tax cuts or more spending (or "investments," as the White House prefers to say).

Suddenly forgotten is the fact that we Americans have amassed \$5.5 trillion in debt, almost four-fifths of it in the 1980s and 1990s, and the last trillion during the supposedly frugal Clinton years.

Conveniently overlooked, too, are the \$14 trillion of unfunded obligations for the retirement and health care benefits of the baby-boomer generation, now just 10 years away from starting to impose its unprecedented burdens on its children and grandchildren.

Newt Gingrich, the House speaker, is arguing for cutting taxes "every year" as long as the budget is in the black. President Clinton is proposing "targeted" tax cuts.

All of this suggests that spoon-feeding money to voters in an election year is more appealing to many in Washington than telling the public the truth: After the profligacy of the last two decades, we face years of sucking in our fiscal gut if we are going to be in shape to finance the boomers' golden years without another explosion of debt.

Mr. Clinton deserves credit for recognizing at the very beginning of his presidency that the reckless pattern of previous years could not continue.

He and Treasury Secretary Robert E. Rubin (then running economic policy on the White House staff), working closely with Federal Reserve Chairman Alan Greenspan, took the substantial political risk of pushing through a budget in 1993 that set the path toward this intoxicating day of deliverance from deficit financing.

In 1993, Republicans, to their discredit, fought Mr. Clinton every step of the way. But when they took control of Congress in 1994, they reversed their stance and applied further pressure toward eliminating the red ink.

The remarkable run of inflation-free economic growth we have been enjoying is something for which both parties can claim credit.

But it would be foolish to relax



now that a nominal balance is in sight. Keeping that balance is important. It is not, as some say, a meaningless accounting trick. This year, we are spending about \$250 billion in interest on the national debt. One out of every seven dollars in taxes goes simply to pay off the bondholders.

That money is diverted from medical research, military preparedness, upkeep on the national parks and all the other things the federal government does. Those tax dollars truly are being squandered.

As anyone with a credit card knows, the interest on unpaid debt compounds quickly, which

is exactly what has been happening to the country during these reckless years.

Wise policy would use any budget surplus first to start paying down the national debt, thus capturing the effects of compounding for the benefit of future generations. Every \$1 billion taken off the debt in 1998 saves many times that amount in interest payments over the coming decades.

The United States does not have to wait until the debt is completely eliminated before people begin to enjoy tax cuts or benefits of additional government spending in important areas. As the debt shrinks relative

to the size of the overall economy, it becomes less and less of a tax on the current generation.

But simple prudence suggests that debt reduction be given priority at least until agreement is reached on how we will finance the inevitable demands of the boomers' retirement and health care needs.

Squandering the supposed budget surplus on either tax cuts or new government programs would be worse than putting the cart before the horse. It would be this generation saying to the next: We're getting ours, and the hell with you.

The Washington Post

# Class Fatalism Pervades Old-Fashioned 'Titanic'

By Steven J. Ross

LOS ANGELES — For all its money and modern technological wizardry, "Titanic" is an extremely old-fashioned movie that reinforces conservative ideas about the inevitability of class hierarchies and class injustice in America. Its approach to class relations, in fact, is remarkably similar to the seemingly liberal but ultimately

portray working people as salt-of-the-earth types who frequently best their so-called "betters." This is evident in "Titanic," where scenes show the working-class artist Jack Dawson triumphing over wealthy Cal Hockley in dinner conversation and in winning Rose DeWitt Bukater's love.

Yet beneath the liberal veneer of "Titanic" and cross-class fantasies of the 1920s are highly conservative attitudes toward class relations. Mr. Cameron concedes a sense of moral superiority to his blue-collar protagonists — but in the end it is the rich who triumph, while the poor return to their "proper" place.

Unfortunately, in "Titanic," that place is at the bottom of the sea: Most of the working-class passengers perish while the rich survive. What sort of triumph is that?

There is a fatalism at work in "Titanic" that suggests this is the way it was and always will be: there is nothing anyone can do to remedy the situation in which the so-called inferior class constantly is oppressed by the superior class. It is this sense of class despair and defeat that makes "Titanic" politically conservative.

Could "Titanic" have been any different? Sure. If working-class people are the better in the film, then let the rich die and the poor survive.

But this still would not change the film's basic class pessimism. To do that, Mr. Cameron and his peers would have had to learn from earlier filmmakers who told audiences that nothing was inevitable and offered them visions of how things could be different.

Rather than simply acknowledge the inequalities of wealth and power in society, their movies offered blueprints for change. They depicted a unified working class using strikes, unions and third parties to transform a nation. In an era of growing poverty and corporate downsizing, these are movies worth telling again and again.

The writer, a University of Southern California history professor, is author of the forthcoming "Working-Class Hollywood: Silent Film and the Shaping of Class in America." He contributed this column to the Los Angeles Times.

## MEANWHILE

reactionary cross-class fantasy films that accompanied the rise of the Hollywood studio system in the 1920s.

In 1912, when the real Titanic went down, movies were far more concerned with portraying the genuine hardships of working-class life than at any subsequent time in cinema history.

Immigrants and blue-collar workers — ostensibly the heroic figures of "Titanic" — composed the bulk of the nation's movie audiences. Filmmakers appealed to them by turning out hundreds of liberal and radical movies that showed workers, unionists and socialists defeating employers, solving the problems of the day and achieving justice for all.

Far from arguing a new era of liberalism, the rise of Hollywood pushed American films in increasingly conservative directions.

As studios attempted to attract greater numbers of prosperous middle-class viewers, movies about conflict between the classes were superseded by cross-class fantasy films — telling stories of poor boys marrying rich girls, or rich boys marrying poor girls, and emphasizing love and harmony among the classes.

Presenting a point of view that fit well into the conservative Republican politics of the day, cross-class fantasies of the '20s stressed acceptance rather than change, and suggested that love — not political action — was all one needed to achieve happiness. These films helped legitimize the class inequalities that dominated American life.

Focusing on romantic involvements between upper class and working class, these fantasies frequently spouted a populist rhetoric that fed into public hostility toward the elite classes.

Mr. DeMille and his modern-day counterpart, James Cameron,

## LETTERS TO THE EDITOR

### Bread and Circuses

Regarding "Europe and U.S. Culture" and "American Culture" (Letters to the Editor, Dec. 19 and Dec. 24):

The writers responding to Richard Pells's "Cinema Verité in Europe: Rejecting U.S. Culture" (Opinion, Dec. 16) must also have read "The Makeover of Geraldine" (Opinion, Dec. 16) and "The Entertainment Coup" (Opinion, Dec. 18).

Europeans who reject U.S. culture, one letter writer said, have a "fundamental distrust of America's mercantile economy, which idolizes the creation and accumu-

lation of wealth while redefining the value of human achievement in purely financial terms."

As a historian observing America, I can't help but be reminded of the plebeians of Imperial Rome clamoring for bread and circuses — which can be projected into our times as welfare and professional sports. Those were the declining years of the Roman Empire.

WOLFGANG KAUPISCH, Montes de Alvor, Portugal.

### Global Warming

Regarding "Beware of Popular Enthusiasms" (Opinion, Dec. 9) by Charles Krauthammer:

Mr. Krauthammer criticizes as "inflexible and intolerant" those scientists and ecological activists who warn about global warming.

Scientists cannot predict the future. Their results and analyses are almost necessarily vague and the results of their experiments variable according to the models used. Mr. Krauthammer should therefore not dismiss global warming as merely the erratic view of some misled and misleading scientists.

Mr. Krauthammer seems to think that warnings about global warming are only propaganda and to feel that politically motivated forces are out to destroy the West's comfortable lifestyle.

What about technologies that have improved the living conditions of many people but have also preserved natural resources? It is possible to act against global warming without wrecking the "good life."

SVEN KALBITZER, Düsseldorf.

### Americans and Death

Regarding "Let's Drop the Jargon of Efficient Mourning" (Opinion, Jan. 7) by Ellen Goodman:

One of the most difficult things about incorporating my deceased son's life into my own after his

death six years ago is dealing with the reluctance of others to allow me to mention him in conversation.

Unlike American friends and family, Irish friends I have met since my 1992 move to Ireland allow me to talk about him and even tell me they feel they knew him. Mention of my son's name to American friends and family causes withdrawal and silence.

The Irish accept that death is part of life, unlike Americans, who have a penchant for emotional efficiency and a desire to live forever.

JEANETTE F. HUBER, Minneapolis.

## BOOKS

### JOHANNES BRAHMS

Life and Letters

Selected and annotated by Syra Avins. Translations by Josef Eisinger and Syra Avins. Illustrated. 386 pages. \$49.95. Oxford University Press.

### JOHANNES BRAHMS

A Biography

By Jan Swafford. Illustrated. 721 pages. \$35. Alfred A. Knopf.

Reviewed by James R. Oestreich

MAYBE it was because of the big Brahms year just past, with the 100th anniversary of the composer's death, came too soon after the one before, 1983, with the 150th anniversary of his birth, and there just wasn't that much new to say. Whatever the reason, performances concentrated mainly on the familiar masterpieces, yielding few revelations. And now two books bringing down the curtain offer mostly material that has long been available, though not necessarily in English.

Jan Swafford, a composer and the author of the acclaimed "Charles Ives: A Life With Music," presents a sprawling portrait of Brahms heavily based on earlier publications, from the biographies of Max Kalbeck (1904-14) and Florence May (1905) to recent studies, all liberally interpreted. Syra Avins, a cellist and teacher, serves up a rich compilation of Brahms correspondence, mostly the com-

poser's own writings, in translations carried out with her husband, Josef Eisinger, a retired professor of physiology. The books duplicate each other substantially, and much of the material in both will be familiar to Brahmsians on any level. Yet nonspecialists will find at least one revelation, which calls into question a beloved bit of Brahms lore, and it comes early in Avins's book.

"Even if Brahms himself speaks of having 'played the piano at night in bars,'" Avins quotes the German scholar Kurt Hofmann as having written, "it is out of the question that these were respectable saloons." Set alongside Swafford's book, this seemingly innocuous claim is little short of a bombshell. It challenges the notion, established by Kalbeck and still widely accepted, that Brahms, for several months, beginning before his 13th birthday, was impoverished parents to play piano through the night in brothels near the docks in his native Hamburg.

"Not only is there no evidence that Brahms played in low-class dives of the sailors' quarter," which was in the outlying area of St. Pauli, while Brahms lived in the city near the Alster Pavilion, Avins writes, "there is also no evidence, only perpetuated rumor, that Brahms played anywhere at all before he was 14 years old."

What makes the point significant is that Swafford, like others before him in varying degrees, sees this supposed bit of biography as a corner-

stone of Brahms's personality, aloof, misogynistic and often crude, and presents it as a recurring theme. "The effects... on him were deep and indelible," Swafford writes. "The abuse he suffered in dives was a kind of tragedy; it created a dangerous fissure in his psyche.... In ways both clear and unsearchable, the Singing Girls marked and molded what he became, and so molded his art."

Or not. The Hofmann quote, along with other information suggesting that the setting of Brahms's childhood was far less squalid and impoverished than commonly thought, comes from Hofmann's book "Johannes Brahms and Hamburg," as issued in 1986. Swafford's failure to address this material, though his bibliography lists a Hofmann opus from 1993, is a devastating lapse.

Still, Swafford proves an interesting guide through Brahms's life. And his penetrating eye finds undercurrents in the correspondence that elude Avins: mounting tensions in the relationship between Brahms and Robert Schumann's widow, Clara, for example, even before they broke off their romance.

Swafford does not go easy on his subject. He lays a heavy responsibility on Brahms in relation to the death of the addled Robert Schumann in 1856. Schumann spent more than two years in an asylum following a suicide attempt, and Swafford suggests, he settled on a course of slow starvation after, among other things, a "too candid" letter from

Brahms in late 1854, lamenting Clara's absence on a performing tour as pianist.

In addition to substantial discussions of Brahms's music (seldom demanding much technical knowledge of the reader), Swafford provides a rich historical context. His analysis of Brahms's performing career as pianist and conductor is especially fascinating, pointing up areas pertinent to the concert scene today.

But some of the book's length results from sheer unnecessary repetition, and the production strains at the seams with, among other things, wholesale misnumberings of footnotes.

The length of Avins's book is better justified by her welcome inclusiveness. Under her ministrations, Brahms reveals himself in workaday as well as transcendent moods. He is, as always, a bundle of contradictions: gruff and tender, mean-spirited and magnanimous, lonely and independent, reactionary and progressive, petty and grand.

To preserve his own voice as much as possible, the translations try to retain the rough edges of his careless prose style, perhaps to a fault. Clunkiness does not translate literally from one language to another any more than elegance does.

AVINS's own contributions are terse and often illuminating. Although she could not hope to provide a complete biography in the interstices, she supplies fascinating illustrations, a helpful chronological table and other tools.

Still, the reader does not always know where to expect explication of obscure references in the letters: whether in the text preceding or following, in footnotes on the page or additional notes at the back of the book, or in the section of biographical sketches.

In all biography, uncertainties, ambiguities and mysteries abound. In the case of Brahms, such problems are multiplied. He systematically destroyed not only his inferior works and the early traces of his published ones but also letters and other documents, all with the purpose of covering his tracks and confining the historical record to whatever his finished music might have to say.

Happily, the two books together give a pretty thorough picture of what escaped his vandal grasp.

New York Times Service

## BRIDGE

By Alan Truscott

THIS year the Eastern Regional Championships, normally in Manhattan, were played in Connecticut. Thirty years ago it was the other way round: the Long Island Regional Championships were played in Manhattan. On that occasion, John Percy found himself playing the South cards in seven diamonds redoubled. Notice that seven no-trump would have succeeded, but seven hearts would have been defeated by an immediate diamond ruff.

The opening club lead gave South an unimportant trick, and he won in dummy with

the 10. He led the diamond jack and was not particularly surprised when East proved to have five trumps. The only hope, a rather poor one, was that East would be able to follow to two more rounds of clubs and three rounds of hearts.

Accordingly Percy cashed two club winners and three heart winners, breathing a sigh of relief when East was unable to ruff. South threw two spades from dummy on the clubs, cashed the spade ace and continued hearts. Whether East ruffed or not did not matter. He was helpless in the face of the impending crossruff and the redoubled grand slam was made.

NORTH			
♠ A 9 8			
♥ K 10 9 4 3			
♦ K J 10 6			
♣ 10			
WEST			
♠ Q J 10 6 3 2			
♥ 7 6			
♦ —			
♣ J 8 5 3 2			
EAST			
♠ K 7			
♥ —			
♦ 8 7 4 3 2			
♣ 7 6 4			
SOUTH (P)			
♠ 5 4			
♥ A Q 8 5			
♦ A K Q 9			
♣ A K Q 9			

Both sides were vulnerable. The bidding: South 1♣, 2♣, 3♣, 4♣, 5♣, 6♣, 7♣, 8♣, 9♣, 10♣, 11♣, 12♣, 13♣, 14♣, 15♣, 16♣, 17♣, 18♣, 19♣, 20♣, 21♣, 22♣, 23♣, 24♣, 25♣, 26♣, 27♣, 28♣, 29♣, 30♣, 31♣, 32♣, 33♣, 34♣, 35♣, 36♣, 37♣, 38♣, 39♣, 40♣, 41♣, 42♣, 43♣, 44♣, 45♣, 46♣, 47♣, 48♣, 49♣, 50♣, 51♣, 52♣, 53♣, 54♣, 55♣, 56♣, 57♣, 58♣, 59♣, 60♣, 61♣, 62♣, 63♣, 64♣, 65♣, 66♣, 67♣, 68♣, 69♣, 70♣, 71♣, 72♣, 73♣, 74♣, 75♣, 76♣, 77♣, 78♣, 79♣, 80♣, 81♣, 82♣, 83♣, 84♣, 85♣, 86♣, 87♣, 88♣, 89♣, 90♣, 91♣, 92♣, 93♣, 94♣, 95♣, 96♣, 97♣, 98♣, 99♣, 100♣.

West led the club three.

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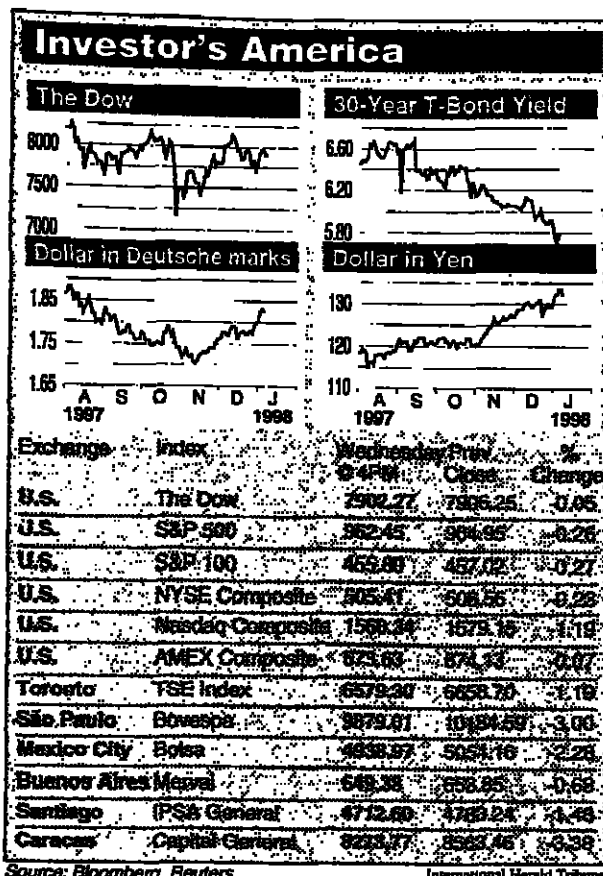
دکتر محمد صالح المنجد







## THE AMERICAS



## Very briefly:

- Paragon Trade Brands Inc. sought bankruptcy protection after losing a patent-infringement ruling on disposable diapers that could leave it liable for as much as \$180 million in damages to Procter & Gamble Co.
- McDonald's Corp. plans to invest \$35 million in Argentina in 1998, adding 35 restaurants to its current 110, in the first stage of plans to double its presence in the country by 2000.
- The U.S. Justice Department asked a federal court in Texas to put on hold a decision striking down key portions of the 1996 law that deregulated the American telecommunications industry; the decision on Dec. 31 said the law unconstitutionally kept the regional Bell companies out of the \$80 billion domestic long-distance market.
- Republic Industries Inc. agreed to buy four closely held companies that operate 41 auto dealerships for \$257 million in cash or stock, adding to the holdings of the company's chairman, Wayne Huizenga, in Florida, Texas and Georgia.
- Raytheon Co. and Jaguar PLC said they had jointly developed a luxury version of a Raytheon airplane.
- J. Ira Harris, a top investment banker at Lazard Freres & Co., left the firm to join the Pritzker family's investment company as a vice chairman, Lazard said.

## America Online Sues E-Mailers

DULLES, Virginia — America Online Inc. said Wednesday it filed suit against three bulk electronic-mail companies, seeking to stop them from sending unsolicited advertisements to its members.

AOL is suing IMS, Gulf Coast Marketing, and TSF Marketing and TSF Industries in U.S. District Court in Virginia. AOL has been trying to stop bulk e-mailers from clogging its members' mailboxes with advertisements, which are sometimes for sexually oriented World Wide Web sites.

## Suit Questions Auditors' Rules

By Melody Petersen  
New York Times Service

Accused of being too cavalier about conflicts that might impair their ability to get tough with clients, American auditors argue that they should be allowed to police themselves, as they always have.

Now comes a case, headed for trial this month in California, that puts that way of thinking to the test. In the case, auditors from KPMG Peat Marwick are under attack for repeatedly ignoring signs of their waning independence from a real estate company whose financial reversal cost 20,000 teachers about \$100 million in losses. The accounting industry's trade group has sided with KPMG in arguing that the public expects too much from auditors.

Lawyers for the teachers accuse the accounting firm of failing to step down as auditors despite several conflicts of interest that the Orange County office had with the Teachers Management and Investment Corp. The company managed dozens of real estate ventures that the teachers' money had bankrolled. KPMG audited both Teachers Management and many of its limited partnerships.

The teachers, who filed a lawsuit against the firm in October 1995 as part of a broader legal strategy to recover the lost money, say that auditors for Peat Marwick, as it was known before a 1987 merger, had a

duty to tell them that the company had been nearly insolvent for years but did not do so until it was too late, perhaps because of numerous entanglements with its client.

"I always got the impression that everything was fine," said Louise Carmichael, a retired fourth-grade teacher from Fullerton, California, who says she lost \$183,000. "Peat Marwick had not

## Regulators are concerned about firms' independence from their clients.

said anything was wrong. And they were the watchdogs."

According to court records, through the years, KPMG became much more than just the company's watchdog. In 1987, a retired KPMG partner who had long shared responsibility for the account bought a majority stake in the company. The former partner thus became the client.

Besides serving as the company's auditor, KPMG did consulting work for the company and hoped to do more. And when the company could not pay about \$400,000 it owed in fees to the accounting firm, KPMG essentially became a reluctant lender.

Under prevailing industry rules, the unpaid fees alone could con-

stitute enough of a problem to require an auditor to step down.

"This was a breakdown of ethics in the pursuit of money," said Ronald Kus, a lawyer at Kus, Millband, Williams & Smith in Irvine, California, who is representing the teachers. "It was greed. That is what this is all about."

KPMG called the allegations made by the teachers' lawyers "irresponsible." The firm is defending itself vigorously. KPMG has already persuaded the court to dismiss allegations that it was negligent and said it "is confident that the only remaining claims will be rejected when all of the facts are presented to the court."

The case comes at a time when securities regulators have already expressed concern that the major accounting firms, known as the Big Six, are poorly monitoring their independence from the companies they audit.

Pending mergers between four of the Big Six are only likely to raise the number of conflicts as firms that now consult for companies also turn up as their auditors. KPMG is merging with Ernst & Young, a deal that will bring together two powerful auditing and consulting practices.

Officials at the Securities and Exchange Commission would not comment. But according to accounting experts, the dispute underscores how outmoded the current independence standards are.

## Dollar Slips Amid Rumors of Intervention

Compiled by Our Staff From Dispatches

NEW YORK — The dollar was lower late Wednesday against the yen and fell against other major currencies amid speculation that Japanese and U.S. officials meeting in Washington might plan coordinated sales of the U.S. currency.

The dollar was quoted at 4 P.M. at 131.855 yen, down from 133.625 yen at the close Tuesday. It was at 1.8258 Deutsche marks, compared with 1.8323 DM; at 1.4765 Swiss francs, compared with 1.4805 francs, and at 6.1040 French francs, compared with 6.1303 francs. The pound was at \$1.6258, compared with \$1.6250.

On Wednesday, Japan's deputy finance minister for international affairs, Eisuke Sakakibara, met with the U.S. Federal Reserve Board's chairman, Alan Greenspan, and Deputy

Treasury Secretary Lawrence Summers, following talks Tuesday in London between Mr. Sakakibara and British treasury officials.

While Mr. Sakakibara was in the United States to explain recent plans

## FOREIGN EXCHANGE

to revive the Japanese economy, some traders worried he might ask U.S. officials to sell dollars.

"There's circumstantial evidence to make us concerned that Japan can convince the Americans that stabilizing the yen is a good idea," said Tim Stewart, a currency strategist at Morgan Stanley, Dean Witter, Discover & Co. in New York. That concern has prompted many traders to sell dollars, he said. Other traders said, however, that the yen was unlikely to strengthen further, even if

Mr. Sakakibara was successful.

"It's a case of buy on the rumor and sell on the fact," said Nick Berlic, a currency trader at Commonwealth Bank of Australia. "The dollar has cracked off three or four yen. The damage is finished."

Haruhiko Kuroda, head of the Finance Bureau, heightened speculation Wednesday that officials may urge central banks to help bolster the yen, saying, "We're concerned about the excessively weak yen."

Other analysts blamed the dollar's weakness on reports of intervention by Canada's central bank, which appeared to have been buying yen.

The intervention, if confirmed, may have been part of an effort by the Group of Seven industrial nations to stem the dollar's rise, analysts said. (AFP, Bloomberg)

## Profit Warnings Send Blue Chips Into Slide

## Technology Shares React to Asian Turmoil

Compiled by Our Staff From Dispatches

NEW YORK — Stocks ended lower Wednesday, recovering after dropping sharply as companies warned that fourth-quarter profits will fall short of expectations.

The Dow Jones industrial average closed at 7,902.27, down 3.98 points. Earlier in the day the 30-stock average fell more than 130 points. The Standard & Poor's 500-stock index finished at 964.00, down 2.58 points, and the Nasdaq composite index closed at 1,561.70, down 18.44 points.

About two stocks fell for every one that rose on the New York Stock Exchange, where volume was over 495 million shares.

"There's a certain amount of skepticism among investors as to exactly how earnings will bear out in the weeks ahead," said Jim Griffin, an investment strategist at Aetna Investment Management in Hartford, Conn., who oversees \$45 billion in assets. "It's a rich market where shares are aggressively priced."

Atmel Corp., which depends on Asia for 45 percent of its sales, fell, leading a retreat in computer shares, after saying some of its customers in the region couldn't find financing to buy its products.

Other technology companies also have warned that earnings from Asia will be poor. Asia's plunging currency and stock markets have cast a pall on the U.S. market since October, because investors are concerned that U.S. exporters' earnings will suffer.

Teledata Communications Ltd., a maker of telecommunications equipment, dropped after forecasting "moderate" growth for 1998 because of a slowdown in Southeast Asia.

Other companies also warned of earnings shortfalls, for reasons that had nothing to do with Asia.

HCC Insurance Holdings Inc. fell after the company told analysts to trim profit estimates for 1998. Rainforest Cafe Inc. plunged after warning of disappointing results, and was the most actively traded stock.

"The market's going to continue to suffer from these negative surprises," said James Pizzo, senior portfolio strategist at CIBC Oppenheimer in New York.

"The attitude of the buyer now is to step back when a company disappoints to see how things settle out," he said. "When the market was roaring, investors stepped up to

buy because they were betting the stock would rebound."

Better-than-forecast earnings were no guarantee of higher share prices, to be sure. Two of the security industry's biggest companies saw their stocks drop even after they posted fourth-quarter results that topped estimates.

Morgan Stanley, Dean Witter, Discover & Co., the largest U.S. securities firm by equity capital, fell after it reported a profit of \$1.30 a

## U.S. STOCKS

share, 27 cents better than estimates. Lehman Brothers Holdings Inc., the fourth-biggest firm, fell after it reported a fourth-quarter profit of \$1.30 a share, topping forecasts of \$1.04.

Stocks fell as the yield on the benchmark 30-year Treasury bond rose to 5.79 percent from a record low of 5.72 percent on Tuesday.

Rising yields reduce what many investors are willing to pay for stocks. Bonds declined as investors grew skeptical that more declines in interest rates are likely, after 30-year bond yields reached record lows in the past two days.

Banks dropped for a second day amid concern that a three-month slide in Asian currency markets, coupled with slowing economies throughout that region, will hurt overseas profits. On Tuesday, a Merrill Lynch & Co. analyst trimmed 1998 earnings estimates on Citicorp, Chase Manhattan Corp., BankAmerica Corp. and BankBoston Corp.

So far this month, bank shares have lost 4.9 percent, making them the eighth-worst performers of 30 groups in the S&P 500. Citicorp, Chase Manhattan, BankAmerica, BankBoston, Bankers Trust New York and Wells Fargo all fell.

Also on Wednesday, the Commerce Department reported that U.S. new single-family home sales rose to the highest level in more than a decade in November as mortgage rates continued their slide.

All regions of the country posted gains except the West, and the supply of new homes for sale tumbled to the lowest level since the early 1970s.

November's level sales was the highest total registered since April 1986, a sign that residential real estate will continue to provide an important source of economic strength. (Bloomberg, AP)

## AMEX

## Wednesday's 4 P.M. Close

The 300 most traded stocks of the day, up to the closing on Wall Street. The Associated Press.

Stock	Sales	High	Low	Latest	Chg
IBM	1,234,567	120.50	119.75	120.00	+0.25
Microsoft	987,654	55.25	54.75	55.00	+0.25
Apple	876,543	45.50	45.00	45.25	+0.25
Oracle	765,432	35.75	35.25	35.50	+0.25
Sun	654,321	25.00	24.75	25.00	+0.25
HP	543,210	15.50	15.25	15.50	+0.25
Intel	432,109	10.75	10.50	10.75	+0.25
Motorola	321,098	5.25	5.00	5.25	+0.25
Texas Instruments	210,987	4.75	4.50	4.75	+0.25
Advanced Micro Devices	109,876	3.75	3.50	3.75	+0.25

## U. S. STOCK MARKET DIARY

## Indexes

Index	High	Low	Latest	Chg
Dow Jones	7902.27	7898.29	7902.27	-3.98
S&P 500	964.00	963.42	964.00	-2.58
Nasdaq	1561.70	1559.26	1561.70	-18.44
AMEX	624.15	623.55	624.15	0.60
Toronto	3588.75	3579.20	3588.75	9.55
Sao Paulo	3084.98	3079.01	3084.98	5.97
Buenos Aires	650.25	649.38	650.25	0.87
Santiago	4723.00	4712.00	4723.00	11.00
Mexico City	4048.00	4038.00	4048.00	10.00
Caracas	624.00	623.00	624.00	1.00

## Most Active

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## Dividends

Company	Per Amt	Rec Pay	Company	Per Amt	Rec Pay
IBM	3.00	12/15/97	Microsoft	0.68	12/15/97
Apple	0.25	12/15/97	Oracle	0.10	12/15/97
Sun	0.10	12/15/97	HP	0.05	12/15/97
Intel	0.05	12/15/97	Motorola	0.02	12/15/97
Texas Instruments	0.01	12/15/97	Advanced Micro Devices	0.01	12/15/97

## U.S. Stock Tables Explained

Stock figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the new high and low range and dividend are shown for the new stock only. Unless otherwise stated, rates of dividends are annual dividends declared based on the latest declaration.

a - dividend also on 100 shares  
b - annual rate of dividend plus stock dividend  
c - dividend declared on last declaration  
cc - PE exceeds 99  
d - old stock  
e - new yearly low  
f - low in the last 12 months  
g - dividend declared or paid in preceding 12 months  
h - annual rate, increased on last declaration  
i - dividend in Canadian funds, subject to 15% non-residence tax  
j - dividend declared after split-up or stock dividend  
k - dividend paid this year, confirmed, deferred, or no action taken at shareholders' meeting  
l - dividend declared or paid this year, on accumulated issue with dividends in arrears  
m - annual rate, reduced on last declaration  
n - new issue in the past 52 weeks. The high-low range begins with the start of trading  
o - next day delivery

## INTERNATIONAL FUTURES

## High Low Latest Chg Opt

10-YEAR FINANCIAL					
Futures - cents per bushel					
Mar	77.25	+0.35	844		
Apr	81.50	+0.50	85.50	+0.20	21.90
May	82.50	+0.45	84.50	+0.20	21.90
Jun	82.75	+0.30	84.00	+0.20	21.90
Jul	82.50	+0.35	+0.20		
End of Mar. Ties sales \$797					
Tues open at 82.00/25 up .385.					
16-YEAR FOREIGN GOV. BONDS (AM)					
FEBRUARY 15% at 100 pct					
Mar	102.25	+0.12	102.14	+0.12	0.70
Apr	101.75	+0.10	101.60	+0.10	0.70
May	101.25	+0.10	101.10	+0.10	0.70
Jun	101.25	+0.10	101.10	+0.10	0.70
Jul	101.25	+0.10	101.10	+0.10	0.70
End sales: 119.23.					
Tues open at 123.50/25 up .385.					
ITALIAN GOVERNMENT BOND (CBOT)					
10% FEBRUARY 1982 - 100 pct					
Mar	117.00	+11.70	117.01	+4.11	
Apr	117.00	+11.70	117.01	+4.11	
May	117.00	+11.70	117.01	+4.11	
Jun	117.00	+11.70	117.01	+4.11	
Jul	117.00	+11.70	117.01	+4.11	
End sales: 64.98. Prev. sales: 19.47					
Tues open at 120.00/25 up .385.					
LIBOR 14-MONTH (CHICAGO)					
30 months - pct at 100 pct.					
Mar	94.29	+9.42	94.28	unch	
Apr	94.29	+9.42	94.28	unch	
May	94.29	+9.42	94.28	unch	
Jun	94.29	+9.42	94.28	unch	
Jul	94.29	+9.42	94.28	unch	
Tues open at 94.70/30 up .1234					
EURODOLLARS (CHICAGO)					
31 months - pct at 100 pct.					
Mar	94.29	+9.42	94.28	unch	
Apr	94.29	+9.42	94.28	unch	
May	94.29	+9.42	94.28	unch	
Jun	94.29	+9.42	94.28	unch	
Jul	94.29	+9.42	94.28	unch	
Tues open at 94.70/30 up .1234					
10-YEAR FINANCIAL					
Futures - cents per bushel					
Mar	78.00	+0.40	1.710		
Apr	78.00	+0.40	1.710		
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Apr	78.00	+0.40	1.710		
May	78.00	+0.40	1.710		
Jun	78.00	+0.40	1.710		
Jul	78.00	+0.40	1.710		
End sales: 78.00/75 up .385					
Tues open at 78.00/75 up .385					
10-YEAR FINANCIAL					
Futures - cents per bushel					
Mar	78.00	+0.40	1.710		
Apr	78.00	+0.40	1.710		
May	78.00	+0.40	1.710		
Jun	78.00	+0.40	1.710		
Jul	78.00	+0.40	1.710		
End sales: 78.00/75 up .385					
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Futures - cents per bushel					
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Tues open at 78.00/75 up .385					
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Futures - cents per bushel					
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Futures - cents per bushel					
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Futures - cents per bushel					
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Futures - cents per bushel					
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EUROPE

# EU Remains Confident Of 3% Growth in 1998

## Asia Crisis to Have Only 'Marginal' Effect

BRUSSELS — The European economy will record its fastest growth in nearly a decade this year, underpinned by the Asian financial crisis, the European Union monetary affairs commissioner, Yves-Thibault de Silgny, said Wednesday.

He added that the European Commission continues to forecast 3 percent growth in the EU, noting that only 2.2 percent of the 15-nation bloc's economy depends on exports to Asia.

"This crisis will have a marginal impact on European growth and will have no effect whatsoever on the transition to the single currency," Mr. de Silgny said at a news conference. "All the indicators are fine."

The commission's optimism was voiced as independent economists grew increasingly doubtful whether Europe will escape unscathed from Asia's currency devaluations and financial market tremors.

The Organization for Economic Cooperation and Development, a think tank in Paris for the advanced economies, last month trimmed its EU growth forecast to 2.6 percent or 2.7 percent from 2.8 percent.

The European Commission, the EU's executive agency, made its forecasts in October, when the Asian crisis appeared to be limited to Thailand and neighboring Southeast Asian economies. Since then, it has spread as far as South Korea, the recipient of a \$60 billion bailout led by the International Monetary Fund.

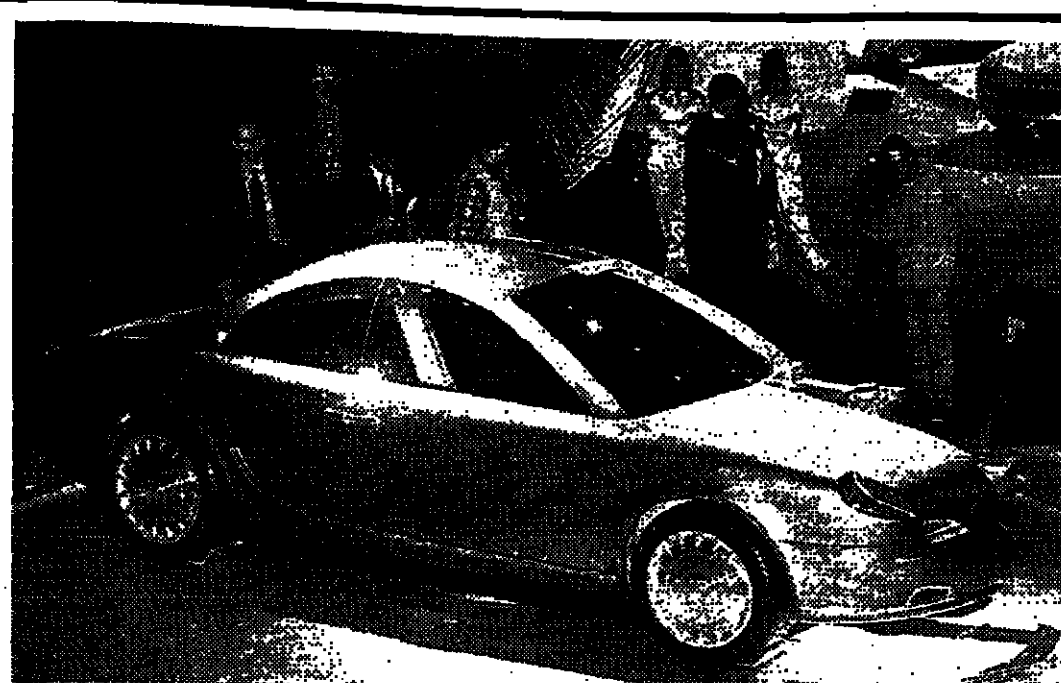
EU banks have outstanding loans of \$364 billion to Asia, Mr. de Silgny said. Half the lending is to Hong Kong and Singapore, two of the least-damaged economies in the region, he noted.

The EU economy expanded an estimated 2.6 percent last year, according to the commission. The forecast of 3 percent for this year was last topped in 1989, when the economy grew 3.5 percent.

Mr. de Silgny also hinted at a possible compromise in the dispute over who will become head of the European Central Bank, saying the first chief could choose to serve for only his eight-year term.

The remark indicated that EU governments might decide to split the first central bank chief's mandate and avoid a humiliating defeat for either France or the Netherlands. Each has put forward candidates for what will be one of the most powerful jobs in international finance.

Although the commission has no power to influence the choice, it has expressed concern that prolonged political haggling over the issue could undermine the credibility of the new currency. "We want this settled quickly," Mr. de Silgny said. (Bloomberg, Reuters, AFP)



LIGHT AS FOAM — A car made with aluminum foam by Wilhelm Karmann being presented in Detroit on Wednesday. The foam is up to 50 percent lighter than normally used materials.

# GM Considers Job Cuts in Europe

## Carmaker May Trim Up to 30% of Its Work Force Over 5 Years

FRANKFURT — Adam Opel AG, faced with newspaper reports that thousands of jobs might be in danger at its European plants, said Wednesday that no concrete plans for cuts had been drafted by General Motors Corp., its parent company.

Reports said Wednesday that GM, the world's largest carmaker, planned to begin a campaign to prune its European work force by 20 percent to 30 percent over the next five years.

The brunt of the cuts were likely to be absorbed by GM's operations in Germany, which are deemed to have high operating costs, the reports said on the basis of interviews with GM's chief executive, John Smith, and with Louis Hughes, who oversees GM operations outside North America.

Mr. Smith was quoted as saying the cuts were necessary because of growing competition. He also said that GM's rapid expansion into emerging markets may have eroded its competitiveness in Europe.

Mr. Hughes was quoted as saying that the job cuts did not amount to a retreat from Europe.

An Opel spokesman, asked whether job cuts were looming, said: "There are no concrete plans at the moment."

The statements by Mr. Smith and Mr. Hughes at the Detroit auto show came at a sensitive time as Opel also said Wednesday that it was close to a deal with its workers' representative council on job-security issues.

The Opel official said there was a good chance a new pact would be reached in coming weeks, ending difficult negotiations.

"Opel has always tried to ensure the competitiveness of its German operations and will continue to do so," the Opel spokesman said, adding that the group would keep its policy of avoiding foreign layoffs in the event of job cuts.

Mr. Hughes said GM wanted to make the work force reductions where possible through attrition.

But he said the company would probably have to resort to voluntary buyouts in Germany, where he believed attrition levels would not be sufficient.

In addition, Mr. Smith told the Financial Times that the strength of the pound had turned Britain into a "high-cost" location, which dented hopes for the country to be selected as a site for a new plant.

The threat of layoffs at GM's European units, which have 80,000 workers, was not a surprise.

The GM European workers' representative council said in October it feared a major study of European plant operations could lead to job cuts totaling 10 percent to 15 percent of the European work force.

But the possible levels of job cuts, which are expected to primarily focus on factory operations, that were mentioned in the reports Wednesday were double what the works council had expected.

Company officials, however, said that proposal on job cuts would likely be presented to GM management in February.

Mr. Smith said the measures would be put into effect "in the coming months."

He said GM wanted to cut costs of materials in Europe, which account for 60 percent to 70 percent of costs. GM studies have shown that costs in the European operation have risen 25 percent since 1992, to \$9.37 billion. The work force has been slashed from 93,000 workers in 1990, to about 80,000.

# Investor's Europe

Frankfurt DAX	London FTSE 100 Index	Paris CAC 40
4500	5450	3100
4300	5200	3000
4100	5000	2900
3900	4850	2800
3700		2700
1997	1997	1997
A S O N D J	A S O N D J	A S O N D J
Exchange Index	Wednesday Close	Wednesday Close
Amsterdam AEX	932.07	930.28
Brussels BEL-20	2,515.55	2,525.00
Frankfurt DAX	4,391.54	4,352.63
Copenhagen Stock Market	700.19	708.09
Helsinki HEX General	3,463.25	3,441.59
Oso OIB	672.24	680.94
London FTSE 100	5,235.20	5,264.40
Madrid Stock Exchange	658.17	660.07
Milan MBTEL	17869	17762
Paris CAC 40	3,012.40	3,037.73
Stockholm SMI	3,270.94	3,319.06
Vienna ATX	1,324.48	1,335.41
Zurich SPI	3,973.47	3,965.26

# Very briefly:

- SAP AG, the German software company, said its 1997 sales rose by about 60 percent and that earnings per share would be more than 50 percent higher. Results are due Jan. 27.
- Promodes SA of France plans to buy 27.5 percent of GIB Holding SA's Belgian supermarket for 1.79 billion French francs (\$293.0 million). GIB will pool its supermarkets into one company valued at \$6.5 billion French francs.
- The European Commission confirmed that it was opening a formal inquiry into cooperation agreements between Air France and both Continental Airlines and Delta Airlines.
- Deutsche Telekom AG rejected allegations from a rival, Mannesmann Arco AG, that the former telephone monopoly was blocking signals that allow customers to see the cost of their calls when using services other than Telekom. Carrying such signals over different networks was not yet technically possible. Telekom officials said.
- Spain's new 30-year Treasury bond had a better-than-expected debut, with demand of \$65.79 billion pesos (\$3.68 billion), compared with an estimated 225 billion pesos. The government allotted 333.56 billion pesos worth of the bonds at a yield of 5.985 percent, compared with 5.451 percent for 10-year bonds. The yield was in line with market expectations.
- Nokia Group, the Finnish telecommunications equipment maker, secured a 2.1 billion markka (\$380.5 million) contract from the British mobile-phone operator Orange PLC to expand its mobile-phone network.
- IG Metall, Germany's largest labor union, called an abut half of Eastern Germany's 8,000 steelworkers to go on strike Monday if employers refuse to concede to the union's demand for wage parity between East and West German steel workers.
- Renault SA said 1997 car sales rose 3.3 percent, to 1.62 million, as exports rose 16 percent, making up for a 17.5 percent drop in France. The company said its new Megane and Clio models were its best sellers. (Bloomberg, Reuters)

# Arianespace Plans to Float 1 Billion Franc Share Issue

PARIS — Europe's Arianespace rocket consortium plans to raise 1 billion francs (\$163.7 million) in fresh capital in the second half of the year to develop its new Ariane-5 launcher, Chairman Jean-Marie Luton said Wednesday.

Arianespace, which is half-owned by the French space agency, CNES, and the other half by the European Space Agency, ESA, is planning to float the issue in the second half of 1998.

The share increase, based on the company's current 270 million franc capital base, would maintain the current proportions of holdings in Arianespace, which France holds a total 55.54 percent. The largest single French shareholder is the CNES, with a 32.22 percent stake.

The funds are needed to increase the rate of Ariane-5 launches to eight per year from the initial five planned by the space agencies and to develop the rocket to keep it competitive, Mr. Luton said.

Mr. Luton said he would present his board at the end of January with a plan for a 1 billion franc share issue that could be floated in the second half of 1998.

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# WORLD STOCK MARKETS

Wednesday, Jan. 7					High Low Close Prev.					High Low Close Prev.					High Low Close Prev.					High Low Close Prev.				
Prices in local currencies.					Prices in U.S. dollars.					Prices in U.S. dollars.					Prices in U.S. dollars.					Prices in U.S. dollars.				
Amsterdam					Amsterdam					Amsterdam					Amsterdam					Amsterdam				
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
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ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
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ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
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ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
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ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
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ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20	ADAM-AMRO	48.20	48.20	48.20	48.20
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The 2,600 most traded stocks of the day.  
 Nationwide prices not reflecting late trades elsewhere.  
 The Associated Press.

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11, rue de la Corraterie - 1204 Geneva - Switzerland

**Continued on Page 16**



ASIA/PACIFIC

# Asia Woes Batter Fortress Singapore

## Safe-Haven Status Is Shaken and Industries Face a Slowdown

**SINGAPORE** — Just seven months ago investors loved Singapore Technologies Industrial Corp. for its far-flung operations, from China to Indonesia. Now, that much-touted strength has become a liability as currencies plunge and economic growth slows among Singapore's neighbors.

Shares in the builder of industrial parks and beach resorts have fallen 65 percent, to 1.50 Singapore dollars (86 U.S. cents), from their high in June.

"Investors don't want the regional risk," said Kevin Scully, research director at Schroder Securities (Singapore) Pte. "They want a safe haven. They want the old Singapore."

The company's tale underscores the fate of Singapore, a country of 3 million people that, in spite of its famed economic planning and strict financial regulations, is being dragged into the Asian quagmire.

"This isn't a reflection of anything fundamentally wrong in Singapore," said Ray Ferris, a regional economist with BZW Asia Ltd. in Hong Kong. But it is a reminder, he said, that Singapore does not operate in isolation.

The city state's benchmark stock index — although faring better than its neighbors' — plummeted 31 percent last year and is down 12 percent this year. The Singapore dollar fell 17 percent against the U.S. dollar last year. Gross domestic product, which grew 7.6 percent in 1997, could slow to about 3 percent this year — its slowest since the mid-1980s, when a slump in crude oil and other commodity prices hurt growth in much of Southeast Asia.

Singapore has prided itself on being the East Asian home of no-nonsense financial regulation; a place where foreign investors could put their money with confidence; a regional hub from where they can

plot expansion into Southeast Asia, until recently among the world's fastest growing regions.

Singapore retains many of those strengths, but many analysts expect that weakness in the currencies of its big Asian trading partners, Indonesia and Malaysia, will increase pressure on Singapore to allow its currency to fall.

ANZ Investment Bank predicts that the Singapore dollar could weaken by 14 percent within the first quarter to about 2.00 to the U.S. dollar.

Still, with other currencies falling faster than the Singapore dollar, the region's woes are beginning to echo in Singapore's industries.

Singapore's health-care sector is a magnet for wealthy patients from other Southeast Asian countries. Indonesians make up about 30 percent of all admissions at some Singapore hospitals. Parkway Holdings Ltd., a Singapore hospital company, saw admissions at two of its hospitals fall by 10 percent year-on-year in September and October.

Some wealthy Indonesians are looking to sell some of the high-priced real estate they have purchased in Singapore. A report in The Straits Times newspaper said several owners of condominiums valued around 5 million dollars had recently put their units on the market.

Shares of Cerebos Pacific Ltd., a Singapore-based maker of health tonics, have fallen by 64 percent in a year, amid concern about the company's exposure to Thailand, one of its largest markets.

Singapore's commercial banks such as United Overseas Bank Ltd. and Overseas Union Bank Ltd. are among Asia's most solvent. But they are feeling the pinch of increased nonperforming loans in Indonesia, Thailand and Malaysia — countries in which the banks expanded to escape their dependence on Singa-

pore's relatively small economy.

The banks' earnings in Malaysia — where three of the four largest Singapore banks have major operations — are likely to slow significantly, said David Lum, head of research at Nava Securities (Singapore) Ltd.

"The real concern is that this whole currency crisis has increased the risk of a regional recession," Mr. Lum said. "And that will hurt everyone, not just the banks."

All this comes amid expectations that a weaker Singapore currency will cause local interest rates to remain above comparable rates in the United States, said BZW's Mr. Ferris. "Higher rates are going to suppress domestic demand for everything from cars to residential real estate and retail goods," he said.

With interbank rates rising, Singapore's banks, including the Development Bank of Singapore Ltd. and Overseas-Chinese Banking Corp., raised prime rates by 100 basis points, or one percent, in December. They are expected to raise another 50 basis points in the first quarter.

Architectural firms in Singapore are poised to cut their total staff by as much as 25 percent this year, because of a shortage of new projects in Singapore and Southeast Asia, The Straits Times reported.

Still, not everyone is pessimistic about the prospects for the Singapore economy. Neil Saker, a senior regional economist with SocGen-Crosby Securities in Singapore, last month cut his forecast for 1998 GDP growth just one percentage point, to 5.5 percent, from 6.5 percent.

The modest pruning was based on his expectation that Singapore's construction and building industry will continue to expand and that exports to the United States of Singapore-made goods will help offset a slowdown in other industries.

### Investor's Asia

Exchange	Index	Wednesday Close	% Change
Hong Kong Hang Seng	15,000	9,538.61	10,135.51 -5.89
Singapore Straits Times	2,000	1,368.06	1,439.12 -4.94
Sydney All Ordinaries	2,500	2,646.90	2,585.30 +1.43
Tokyo Nikkei 225	15,000	15,028.17	14,896.40 +0.88
Kuala Lumpur Composite	500	521.00	525.74 -0.90
Bangkok SET	300	370.31	370.27 +0.01
Seoul Composite Index	400	408.42	406.34 +0.78
Taipei Stock Market Index	7,000	7,835.56	7,966.18 -1.64
Manila PSE	1,000	1,747.34	1,820.60 -4.02
Jakarta Composite Index	300	384.24	402.27 -2.00
Wellington NZSE-40	2,000	2,329.31	2,340.55 -0.48
Bombay Sensitive Index	3,000	3,683.31	3,719.62 -0.98

### Very briefly:

- Japan will discuss with U.S. officials the possibility of the two countries intervening jointly in currency markets, an international financial source was quoted as saying by the financial daily Nihon Keizai Shimbun.
- Tokyo's benchmark Nikkei-225 index rose 131.8 points, or 0.88 percent, to close at 15,028.20, but the Japanese government's plan to tighten equity trading rules failed to give a big lift to the index, traders said.
- ING Groep NV said it was in talks with the Philippines central bank about arranging a \$500 million floating rate note issue.
- The World Bank said it approved a \$35 million loan that would enable Vietnam to move ahead with plans to end more than two decades of default on its commercial debts and return to the international debt market.
- Perusahaan Otomobil Nasional Bhd., the company that produces Malaysia's national car, known as Proton, said it expected a 30 percent fall in sales and lower profit this year due to the region's economic crisis. For the year ended in March, 1997, Proton posted sales of 6.2 billion ringgit (\$1.42 billion).
- Commerzbank AG, Germany's third-largest publicly traded bank, said it would buy seats on the Japanese stock exchanges in Tokyo and Osaka for Smith Barney for 800 million yen (\$6.1 million).
- Prince al-Waleed bin Talal, a Saudi Arabian billionaire, said he had purchased around 3 percent of the outstanding shares of Singapore's Hotel Properties Ltd. Reuters, Bloomberg.



**SELLING HEIRLOOMS** — A South Korean man offering his wife's gold rings and other family jewelry to a bank, joining a national attempt to ease the country's financial crisis.

## Thailand's Gold Traders Aim to Shore Up Reserves

Compiled by Our Staff From Bangkok

**BANGKOK** — Thailand's gold traders have agreed to deposit over 10 tons of gold with the country's central bank to bolster reserves and combat the region's economic crisis, a top government official said Wednesday.

Deputy Finance Minister Pichase Panvichatikul said that 10,000 gold traders had each agreed to deposit one kilogram (2.2 pounds) of gold with the Bank of Thailand. The bank has said it expects the public to take the deposit with an additional 10 tons.

In return, depositors are to receive bonds issued by the Government Savings Bank with a maturity of three to five years and a 5 percent interest rate.

Mr. Pichase said more talks on the project would be held. Details

still had to be worked out with the Bank of Thailand, he said.

The Finance Ministry is to appoint a committee to decide on the details of the bond issue next week. Prime Minister Chuan Leekpai has approved the plan in principle, but it has yet to receive formal Cabinet endorsement.

Under the terms of a \$17.2 billion International Monetary Fund-led economic rescue package, Thailand has to maintain reserves in gold and hard foreign currencies worth at least \$25 billion this year.

Thailand's foreign reserves stood at \$26.9 billion as of Dec. 15. The country depleted its reserves early last year in an unsuccessful attempt to defend its currency, the baht, which was floated in July. (AP, Bridge News)

## Asia Turmoil Takes Toll on China Stocks

Bloomberg News

**HONG KONG** — Shares of Qinghai Motors Co., which makes Isuzu pickup trucks in China, have fallen by almost a third this year on the Hong Kong stock exchange.

So did China Shipping Development Co. Ltd., another state-run Chinese company. Dito Harbin Power Equipment Co. and Guangzhou Pharmaceutical Co.

The turmoil sweeping financial markets in Asia is taking its toll on Chinese companies and their shares. While the yuan is holding fast, economy and corporate profits may slow along with the rest of Asia.

Such concern was reflected in the shares of Chinese state-run compa-

nies this week. On Wednesday, the index of these stocks — called H shares because they are traded in Hong Kong — fell to a record low for a second day. The index is down 16 percent this year.

For companies like Qinghai, whose stock fell 21 percent on Wednesday alone, the rout could not come at a worse time. Recently, China said it would try to step up its plans to sell shares in its companies to revamp their operations. Now, that won't be easy, traders said.

Now, China may well let its currency weaken to ensure that its exports can compete with Asian rivals. China reiterated this week that it would not let the yuan weaken.

## Cathay Pacific: An Asia Bargain?

Bloomberg News

**HONG KONG** — Cathay Pacific Airways Ltd., battered by a tourism slump and currency turmoil across Asia, is worth less than the planes it flies.

As its shares plunged to a 10-year low Wednesday, Cathay's market value slipped to 2.26 billion Hong Kong dollars (\$291.6 million) — the value of about 14 new Boeing 747-400s.

That means the market value of Hong Kong's main carrier — which currently flies 19 Boeing 747-400s in its fleet of 59 aircraft — is less than its break-up value, according to Samuel Lee, an analyst at Indosuez W. Carr.

Not surprisingly, Mr. Lee is telling investors it is time to buy the stock.

"Our argument is simply this," Mr. Lee said, "as poor as Cathay's fundamentals may look, do they justify the decline in share price from the pre-handover high of 16.05 dollars, and an under-performance of the Hang Seng index? We think not."

The airline's shares fell 7.2 percent Wednesday, to 5.15 dollars.

Cathay — which has been plying Hong Kong skies since it launched its service with a single war-surplus DC-3 in 1946 — can trace its current problems back to Hong Kong's July return to Chinese rule.

Tourists, who had been arriving in record numbers in early 1997, rapidly lost interest in China's newest territory after the British flag descended for the last time.

Then currencies across the region began to tumble, making Hong Kong — with its dollar pegged to the U.S.

dollar — ever more expensive for the Asian visitor.

The tourist slump was not helped by newspaper reports that local hotels were overcharging tourists from Japan — traditionally Cathay's highest-profit market — for hotels.

By December — when a deadly new influenza virus was discovered here — Hong Kong and Cathay had already been struck off thousands of travelers' agendas.

Managers at Cathay are frank about the airline's woes.

"The market values the company at the level the market values the company," said Tony Tyler, Cathay's director of corporate development. "We are not particularly concerned about the share price, as we are looking at the whole way the business is being run."

As with all other businesses in Hong Kong, Mr. Tyler added, "we are trying to maximize revenue at the same time we are minimizing costs."

Mr. Tyler said the company did not see any signs that conditions would get any better within two years.

"I am positive that Cathay Pacific will weather the storm that it is blowing through Asian aviation," he said. "It just isn't going to be a lot of fun for the next two years."

Wendy Wong, an analyst with Merrill Lynch Far East Ltd., said Cathay "is a well managed carrier and the price is very low, but in the short-term, things aren't going to get much better, and there are considerable risks around."

"They will increase capacity at the same time passenger volumes are dropping," she added.

## APPLE: Computer Maker Sees Profit, but How Long Can It Last?

Continued from Page 11

which made the computer a widely used personal tool, and the man who created the Macintosh, which revolutionized computing by introducing a graphical interface to screens that had long been dominated by text and numbers.

He said he was feeling "better" about his turnaround quest than he did in July, when he returned as the company's temporary chief executive.

After his speech, he said he now saw the turnaround as taking six to nine months, and he hinted that a permanent chief executive would still be found.

Separately, Fred Anderson, Apple's chief financial officer, said the company's management team hoped that Mr. Jobs would decide to stay permanently, though he has stated publicly that he had no desire to take the job.

Mr. Jobs said he was spending most of his time focusing on what he saw as Apple's two most pressing issues: cor-

porate viability and rebuilding its base of software developers.

During his speech, he reaffirmed his pronouncement of last year that the long

**'Who knows what's going to happen next quarter. We're going to be burning the midnight oil.'**

struggle with Microsoft was over and that the software giant was now a key ally.

And on Tuesday, Microsoft unveiled Macintosh Office 98, a suite of business applications that analysts believe is essential for Apple's survival in the business market.

Mr. Jobs also touted business products from Oracle Corp. and Macromedia Inc. and the newest version of the popular game River, which he said would be available in DVD format only

on the Macintosh initially.

In addition, he said, Apple's new relationship with the CompuLink computer retail chain was yielding promising results. The chain has now established special Macintosh sections in 57 of its stores and Mr. Jobs said that Apple's share of sales in those stores had jumped from 3 percent to 14 percent between October and December.

He also stressed the importance of the new version of the company's System 8 operating system, which is scheduled to ship within the next month and will include a number of new features, including the next version of Apple's Quicktime multimedia software.

Mr. Jobs elicited a chorus of boos when he said that in the new operating-system version, Microsoft's Internet Explorer would be the default World Wide Web browser.

Later, after the demonstration of Office 98, he said, "I thought I heard some of those boos turning into yahoos."

## JINGLE: In Advertising, It's Drowned Out by the Golden Oldie

Continued from Page 11

new jingles in the 1990s. Where have all the jingles gone? Advertising people usually have two responses to that question: Jingles are old-fashioned and jingles are expensive, often taking years of saturation advertising to implant themselves in people's minds. That is a long-term proposition few advertisers can afford.

"Jingles are yesterday's way of doing business," asserted Mike Hughes, the president and creative director of the Martin Agency, a firm in Richmond, Virginia, that has created campaigns for Wrangler Jeans, Mercedes and Signet Bank. No self-respecting ad agency wants to turn over its ad campaign to a jingle writer, he said, "when it can find a true and lasting voice for the client on its own."

"In the better creative circles," he said, "jingles aren't what the best people turn to."

A jingle, said Eric Koivisto, Microsoft Corp.'s ad director, "is a sales mechanism, and we're not trying to sell."

We're trying to build a relationship with our customers. Consumers today are really savvy. They have been marketed to for eons. If you're trying to build a brand, you don't necessarily want to tell your customers that they are being sold to repeatedly.

In other words, jingles are "hard sell" in a world grown wary of the hard sell.

Which may explain why pop songs have become so popular in advertising: They don't sound like advertising.

People remember the songs in our ads in a very positive way, he said, and "we want them to associate those positive feelings" with the company's products, said Kim Miller, a spokeswoman for Burger King. "That's the goal of any advertising, to be positive and memorable."

Thus, by harnessing a little bit of baby boomer nostalgia, advertisers believe they are transforming their ads into what's almost a bastard form of entertainment — salesmanship as showmanship.

The seminal moment in this regard may have been Nike's use of the Beatles' "Revolution" in 1988. Although some

baby boomers peppered the company with protests over this unprecedented bit of commercialism, there has been little controversy over the licensing of nostalgic songs since then.

Advertisers say it's cheaper to use an instantly identifiable piece of music than to invest months or even years establishing an original jingle in the popular mind. Although ad executives say it can cost more than \$1 million to license a song by superstars such as the Beatles, most old songs can be had for, well, a song — typically a sum in five figures, plus royalties based on the number of times it plays on the air.

"How much do you think it would cost us to create something as familiar as 'Start Me Up,'" asked Mr. Koivisto about the Rolling Stones song that Microsoft used to introduce its Windows 95 software two years ago.

"I don't know what price it would take to create that kind of familiarity," he said. He declined to say what the company paid to license the song, but he laughs derisively at the oft-reported figure of \$12 million.

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Stock	High	Low	Open	Close	Volume	Change	High	Low	Open	Close	Volume	Change
IBM	125.00	124.00	124.50	124.00	1,200,000	-0.50	125.00	124.00	124.50	124.00	1,200,000	-0.50
Microsoft	100.00	99.00	99.50	99.00	800,000	-0.50	100.00	99.00	99.50	99.00	800,000	-0.50
Apple	150.00	148.00	149.00	148.00	600,000	-1.00	150.00	148.00	149.00	148.00	600,000	-1.00
Amazon	200.00	198.00	199.00	198.00	400,000	-1.00	200.00	198.00	199.00	198.00	400,000	-1.00
Google	180.00	178.00	179.00	178.00	500,000	-1.00	180.00	178.00	179.00	178.00	500,000	-1.00
Facebook	120.00	118.00	119.00	118.00	300,000	-1.00	120.00	118.00	119.00	118.00	300,000	-1.00
Twitter	40.00	38.00	39.00	38.00	200,000	-1.00	40.00	38.00	39.00	38.00	200,000	-1.00
LinkedIn	30.00	28.00	29.00	28.00	100,000	-1.00	30.00	28.00	29.00	28.00	100,000	-1.00
Slack	20.00	18.00	19.00	18.00	50,000	-1.00	20.00	18.00	19.00	18.00	50,000	-1.00
Zoom	10.00	9.00	9.50	9.00	100,000	-0.50	10.00	9.00	9.50	9.00	100,000	-0.50
Dropbox	8.00	7.00	7.50	7.00	50,000	-0.50	8.00	7.00	7.50	7.00	50,000	-0.50
Spotify	15.00	14.00	14.50	14.00	80,000	-0.50	15.00	14.00	14.50	14.00	80,000	-0.50
Netflix	25.00	24.00	24.50	24.00	120,000	-0.50	25.00	24.00	24.50	24.00	120,000	-0.50
Amazon Prime	12.00	11.00	11.50	11.00	60,000	-0.50	12.00	11.00	11.50	11.00	60,000	-0.50
Netflix	18.00	17.00	17.50	17.00	90,000	-0.50	18.00	17.00	17.50	17.00	90,000	-0.50
Amazon Prime	10.00	9.00	9.50	9.00	40,000	-0.50	10.00	9.00	9.50	9.00	40,000	-0.50
Netflix	14.00	13.00	13.50	13.00	70,000	-0.50	14.00	13.00	13.50	13.00	70,000	-0.50
Amazon Prime	8.00	7.00	7.50	7.00	30,000	-0.50	8.00	7.00	7.50	7.00	30,000	-0.50
Netflix	11.00	10.00	10.50	10.00	50,000	-0.50	11.00	10.00	10.50	10.00	50,000	-0.50
Amazon Prime	6.00	5.00	5.50	5.00	20,000	-0.50	6.00	5.00	5.50	5.00	20,000	-0.50
Netflix	9.00	8.00	8.50	8.00	40,000	-0.50	9.00	8.00	8.50	8.00	40,000	-0.50
Amazon Prime	4.00	3.00	3.50	3.00	10,000	-0.50	4.00	3.00	3.50	3.00	10,000	-0.50
Netflix	7.00	6.00	6.50	6.00	30,000	-0.50	7.00	6.00	6.50	6.00	30,000	-0.50
Amazon Prime	3.00	2.00	2.50	2.00	5,000	-0.50	3.00	2.00	2.50	2.00	5,000	-0.50
Netflix	5.00	4.00	4.50	4.00	15,000	-0.50	5.00	4.00	4.50	4.00	15,000	-0.50
Amazon Prime	2.00	1.00	1.50	1.00	2,000	-0.50	2.00	1.00	1.50	1.00	2,000	-0.50
Netflix	3.00	2.00	2.50	2.00	10,000	-0.50	3.00	2.00	2.50	2.00	10,000	-0.50
Amazon Prime	1.00	0.50	0.75	0.50	500	-0.50	1.00	0.50	0.75	0.50	500	-0.50

Order	Line	Part	QTY	UNIT	PRICE	TOTAL	TAX	NET	GROSS
1	1	1000	1	EA	10.00	10.00	0.00	10.00	10.00
2	2	2000	2	EA	20.00	40.00	0.00	40.00	40.00
3	3	3000	3	EA	30.00	90.00	0.00	90.00	90.00
4	4	4000	4	EA	40.00	160.00	0.00	160.00	160.00
5	5	5000	5	EA	50.00	250.00	0.00	250.00	250.00
6	6	6000	6	EA	60.00	360.00	0.00	360.00	360.00
7	7	7000	7	EA	70.00	490.00	0.00	490.00	490.00
8	8	8000	8	EA	80.00	640.00	0.00	640.00	640.00
9	9	9000	9	EA	90.00	810.00	0.00	810.00	810.00
10	10	10000	10	EA	100.00	1000.00	0.00	1000.00	1000.00
11	11	11000	11	EA	110.00	1210.00	0.00	1210.00	1210.00
12	12	12000	12	EA	120.00	1440.00	0.00	1440.00	1440.00
13	13	13000	13	EA	130.00	1690.00	0.00	1690.00	1690.00
14	14	14000	14	EA	140.00	1960.00	0.00	1960.00	1960.00
15	15	15000	15	EA	150.00	2250.00	0.00	2250.00	2250.00
16	16	16000	16	EA	160.00	2560.00	0.00	2560.00	2560.00
17	17	17000	17	EA	170.00	2890.00	0.00	2890.00	2890.00
18	18	18000	18	EA	180.00	3240.00	0.00	3240.00	3240.00
19	19	19000	19	EA	190.00	3610.00	0.00	3610.00	3610.00
20	20	20000	20	EA	200.00	4000.00	0.00	4000.00	4000.00
21	21	21000	21	EA	210.00	4410.00	0.00	4410.00	4410.00
22	22	22000	22	EA	220.00	4840.00	0.00	4840.00	4840.00
23	23	23000	23	EA	230.00	5290.00	0.00	5290.00	5290.00
24	24	24000	24	EA	240.00	5760.00	0.00	5760.00	5760.00
25	25	25000	25	EA	250.00	6250.00	0.00	6250.00	6250.00
26	26	26000	26	EA	260.00	6760.00	0.00	6760.00	6760.00
27	27	27000	27	EA	270.00	7290.00	0.00	7290.00	7290.00
28	28	28000	28	EA	280.00	7840.00	0.00	7840.00	7840.00
29	29	29000	29	EA	290.00	8410.00	0.00	8410.00	8410.00
30	30	30000	30	EA	300.00	9000.00	0.00	9000.00	9000.00
31	31	31000	31	EA	310.00	9610.00	0.00	9610.00	9610.00
32	32	32000	32	EA	320.00	10240.00	0.00	10240.00	10240.00
33	33	33000	33	EA	330.00	10890.00	0.00	10890.00	10890.00
34	34	34000	34	EA	340.00	11560.00	0.00	11560.00	11560.00
35	35	35000	35	EA	350.00	12250.00	0.00	12250.00	12250.00
36	36	36000	36	EA	360.00	12960.00	0.00	12960.00	12960.00
37	37	37000	37	EA	370.00	13690.00	0.00	13690.00	13690.00
38	38	38000	38	EA	380.00	14440.00	0.00	14440.00	14440.00
39	39	39000	39	EA	390.00	15210.00	0.00	15210.00	15210.00
40	40	40000	40	EA	400.00	16000.00	0.00	16000.00	16000.00
41	41	41000	41	EA	410.00	16810.00	0.00	16810.00	16810.00

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項目	金額	備考
一、	100.00	
二、	200.00	
三、	300.00	
四、	400.00	
五、	500.00	
六、	600.00	
七、	700.00	
八、	800.00	
九、	900.00	
十、	1000.00	
合計	5000.00	

**Wednesday's 4 P.M. Close**  
.(Continued)

Stock	Div Yld	Pct 100%	High	Last	Low	Open
1000	1.00	100	100	100	100	100
1001	1.00	100	100	100	100	100
1002	1.00	100	100	100	100	100
1003	1.00	100	100	100	100	100
1004	1.00	100	100	100	100	100
1005	1.00	100	100	100	100	100
1006	1.00	100	100	100	100	100
1007	1.00	100	100	100	100	100
1008	1.00	100	100	100	100	100
1009	1.00	100	100	100	100	100
1010	1.00	100	100	100	100	100
1011	1.00	100	100	100	100	100
1012	1.00	100	100	100	100	100
1013	1.00	100	100	100	100	100
1014	1.00	100	100	100	100	100
1015	1.00	100	100	100	100	100
1016	1.00	100	100	100	100	100
1017	1.00	100	100	100	100	100
1018	1.00	100	100	100	100	100
1019	1.00	100	100	100	100	100
1020	1.00	100	100	100	100	100
1021	1.00	100	100	100	100	100
1022	1.00	100	100	100	100	100
1023	1.00	100	100	100	100	100
1024	1.00	100	100	100	100	100
1025	1.00	100	100	100	100	100
1026	1.00	100	100	100	100	100
1027	1.00	100	100	100	100	100
1028	1.00	100	100	100	100	100
1029	1.00	100	100	100	100	100
1030	1.00	100	100	100	100	100
1031	1.00	100	100	100	100	100
1032	1.00	100	100	100	100	100
1033	1.00	100	100	100	100	100
1034	1.00	100	100	100	100	100
1035	1.00	100	100	100	100	100
1036	1.00	100	100	100	100	100
1037	1.00	100	100	100	100	100
1038	1.00	100	100	100	100	100
1039	1.00	100	100	100	100	100
1040	1.00	100	100	100	100	100
1041	1.00	100	100	100	100	100
1042	1.00	100	100	100	100	100
1043	1.00	100	100	100	100	100
1044	1.00	100	100	100	100	100
1045	1.00	100	100	100	100	100
1046	1.00	100	100	100	100	100
1047	1.00	100	100	100	100	100
1048	1.00	100	100	100	100	100
1049	1.00	100	100	100	100	100
1050	1.00	100	100	100	100	100
1051	1.00	100	100	100	100	100
1052	1.00	100	100	100	100	100
1053	1.00	100	100	100	100	100
1054	1.00	100	100	100	100	100
1055	1.00	100	100	100	100	100
1056	1.00	100	100	100	100	100
1057	1.00	100	100	100	100	100
1058	1.00	100	100	100	100	100
1059	1.00	100	100	100	100	100
1060	1.00	100	100	100	100	100
1061	1.00	100	100	100	100	100
1062	1.00	100	100	100	100	100
1063	1.00	100	100	100	100	100</

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To receive free daily quotations for your funds by E-mail: subscribe at [e-funds@int.com](mailto:e-funds@int.com)**

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**WORLD ROUNDUP**

**Rafter Recovers**

**TENNIS** Pat Rafter fought back from 1-4 down in the third set Wednesday to beat Carlos Moya, 7-5, 1-6, 7-6 (8-6), as Australia beat Spain by 2-1 in the Hopman Cup.

Arantxa Sanchez Vicario had beaten Annabel Ellwood of Australia by 6-2, 6-4 in the opening singles. Rafter and Ellwood then teamed for a 7-5, 6-2 victory in the deciding doubles.

South Africa also came from behind to beat Germany, 2-1. Wayne Ferreira and Amanda Coetzer sealed the victory when they downed Tommy Haas and Anke Huber, 6-2, 6-2, in the doubles.

• In Adelaide on Wednesday, Andre Agassi made the most of an overnight rain delay. Agassi trailed Sargis Sargsian, 6-4, 3-2, when play was stopped Tuesday. When the match resumed Agassi won 12 of the next 15 games to take the match, 4-6, 6-3, 6-3.

The top-seeded Jonas Bjorkman lost his second-round match to Jason Stoltenberg, 7-5, 6-1.

• Yevgeny Kafelnikov of Russia, ranked No. 5 in the world, withdrew from the Australian Open because of a knee injury. (AP)

**Fat Contract for Allen**

**FOOTBALL** Larry Allen, a 326-pound tackle, became the highest paid offensive lineman in National Football League history when he re-signed with the Dallas Cowboys. Terms of the six-year deal were not disclosed on Tuesday, but the Cowboys confirmed the contract made Allen, 26, the highest-paid offensive lineman. Broadcast reports said it was worth \$24 million.

Barry Switzer, the Cowboys' coach, was not at the news conference, which could indicate that he is on his way out after a 6-10 season.

• Joe Bugel has been dismissed as head coach of the Oakland Raiders after one year in the job. Bugel led the Raiders to a 4-12 record, their worst in 35 years. (AP)



Larry Allen, who will receive \$24 million from the Cowboys.

**Atapattu Hits Century**

**CRICKET** Marvan Atapattu hit his second test century on Wednesday to pilot Sri Lanka to 265 for four wickets at the close of the opening day of the first test against Zimbabwe in Kandy. Atapattu finished the day not out on 129. (Reuters)

**Kickboxer Dies in LA**

**KICKBOXING** Redone Bougara, a French-born kickboxer hit with several punches to the head during a weekend bout, died of brain injuries at Daniel Freeman Hospital in Los Angeles.

Bougara, 23, was married a week ago. He was fighting Malik Borbashev of Russia in draka, a form of Russian martial arts that combines kickboxing and wrestling and allows kicking and punching to the head. They each wore gloves. (AP)

**Reflections on the Whacking That Made a Sport Soar**

**Figure Skating 'Owes' Harding For '94 Attack**

By Jere Longman  
New York Times Service

**PHILADELPHIA** — Even now, four years later, Nancy Kerrigan's coach says he gets a sinking feeling every time he even thinks of Detroit.

"I never want to go to that city again," the coach, Evi Scottvold, said. "Isn't that weird? It's certainly not the city's fault."

The Olympic figure skating trials began in Philadelphia on Tuesday, on the fourth anniversary of the attack on Kerrigan by associates of Tonya Harding.

On a snowy Jan. 6, 1994, at the Olympic trials in Cobo Arena in central Detroit, Shane Stant clubbed Kerrigan's right knee with a collapsible baton in the most horrifying, embarrassing and ultimately beneficial moment in the history of the sport. The idea that one athlete would seek to inflict harm upon another, especially in a sport thought to be as genteel as figure skating, repulsed and riveted a nation for three months, sending television ratings through the roof during the Winter Olympics and helping to make figure skating the most popular U.S. television sport outside of the National Football League.

In 1994, huge numbers of women were already watching figure skating, where artistry and choreography are as important as athleticism. What Kerrigan and Harding did was to take figure skating from sport to soap opera and launch it like a triple axel into popular culture. The result was a larger male audience and huge television ratings.

"Men had a revelation," said Brian Boitano, the 1988 Olympic champion, referring to the increased interest in the sport generated by Kerrigan and Harding. "Men control networks and sponsorship dollars."

Four years later, teenage stars like Tara Lipinski and Michelle Kwan, along with Olympic champions like Boitano and Kristi Yamaguchi, can now make more than a million dollars a year. Recently, the U.S. Figure Skating Association extended its broadcast contract with ABC, the U.S. network, for \$100 million over the next 10 years.

CBS, which is broadcasting the 1998 Winter Olympics in the United States, is expecting mega-ratings for figure skating next month during the Nagano Games although they are not likely to top the 48.5 that Harding-Kerrigan generated for the ladies' short program on Feb. 23, 1994, the third-highest-rated



Tara Lipinski, the world figure skating champion, practicing a camel spin at the U.S. Championships.

sporting event ever. Each rating point equals one percent of all television households in the United States.

"It's absolutely mind-boggling how figure skating became so popular because of that incident," said Frank Carroll, who coaches Kwan. "As much as we put down Tonya Harding, women's sports, figure skating in particular, owe her a great debt of gratitude. But it was a terrible, regrettable way to go about it."

Harding, who finished eighth at the 1994 Winter Games in Lillehammer, Norway, was subsequently banned for life from Olympic-style skating by the U.S. Figure Skating Association. She pleaded guilty to conspiring to impede the investigation of the assault with her former husband, Jeff Gillooly, and her bodyguard, Shawn Eckhardt. She was assessed \$160,000 in fines, given three years probation and ordered to perform 500 hours of community service.

Harding is 27 now and gives interviews only when she is paid. She has continued to lead a tabloid existence in Portland, Oregon, briefly managing a professional wrestler, entering into another short-lived marriage claiming to be a professional golfer, saving a woman's life in a bar by giving her mouth-to-mouth resuscitation and alleging that a man tried to kidnap her from her pickup truck.

Her recent public appearances have been as an actress in a low-budget movie, as a participant with Gillooly in a wedding-night video that became widely distributed, and as an exhibition skater at a minor-league hockey game last February in Reno, Nevada, during which she was booed and greeted with a banner that said: "Tonya Harding Go Home." Usually, skaters are showered with stuffed animals that are thrown onto the ice after a performance. In her case, two collapsible batons were thrown on the ice.

Eckhardt, Gillooly, Stant and Derrick Smith all completed prison sentences in 1995 for their roles in the attack. Gillooly changed his name to Jeff Stone and remarried. At Cobo Arena, the glass door that Stant escaped through was replaced with Plexiglas, but was otherwise left untouched. "It's kind of a shrine," said Patrick Innes, Cobo's operations manager, during the Skate America competition in October.

Kerrigan, 28, recovered to win a silver medal after the clubbing attack, narrowly missing the gold, which was won by Oksana Baiul of the Ukraine. Kerrigan married her agent, Terry Solomon, began a professional skating career and is now the mother of 13-month-old son.

In recent weeks, it was reported that the Fox television network tried to arrange a Harding-Kerrigan rematch. Fox denied the story, but a person who said he saw the proposal to Harding said that she was to be paid \$150,000 and Kerrigan was to be paid \$200,000 to \$250,000 for a competition and a face-to-face meeting before the deal fell through.

"Nancy would never be for anything like that," Scottvold said.

Dick Butten, the two-time Olympic champion who produces professional competitions, floated the idea of having Harding compete professionally, saying in early 1996 that "once someone does their sentence, they should be given a second chance in life." But the idea died when Yamaguchi, the 1992 Olympic champion, said she would not compete against Harding.

Michael Rosenberg, Harding's former agent, said Harding deserved a chance to skate again. "She has lost her livelihood, which is not the American way," he said. "There's so much hypocrisy in figure skating. Our sport is so puritanical."

If only in a joking way, even Juan Antonio Samaranch, president of the International Olympic Committee, seemed to lament Harding's disappearance. No, the 1998 Nagano ratings would not approach 1994, he said in an interview last March at the world figure skating championships. "But," he added in a laughing reference to the knee-whacking, "maybe we could arrange something."

**Fallout of Hit Was 'Very Big' In Kwan's Life**

New York Times Service

**PHILADELPHIA** — Four years ago, Michelle Kwan followed Nancy Kerrigan off the ice after a training session at Detroit's Cobo Arena, and happened upon the knee-whacking heard round the world.

"It was scary for her to see violence in sport that close," said Frank Carroll, Kwan's coach.

At the time, she was 13 years old, the world junior champion who in a single infamous moment was thrust into the international spotlight.

With Kerrigan injured, Kwan was named as an alternate to the Olympic team in Lillehammer, Norway. If Kerrigan didn't skate, Kwan would have. Television trucks began popping up like mushrooms outside her training rink in Lake Arrowhead, California.

"It changed my life in a very big way," Kwan said.

Four years later, at 17, Kwan has replaced Kerrigan as an Olympic gold medal favorite. Like Kerrigan, she will have to overcome an injury to participate in the Winter Games next month in Nagano, Japan. Kwan is in pain from a stress fracture in the second toe of her left foot, and as late as Christmas, wondered whether she would compete here.

"I wasn't skating too well. I said: 'Have fun, don't worry. You have to go with the flow and let it happen.'"

Kwan, the 1996 world champion, could have skipped the nationals and taken a bye to the Winter Games. But she would have shown up in Nagano without having competed in three and a half months. "I wanted to earn my spot," she said. "If I can't make it through this, how can I make it through the Olympics?"

Because of the pain in her foot, Kwan has altered her routine for Thursday's short program and Saturday's long program. The jump that bothers her most is the triple toe loop, considered the easiest of the triple jumps but one that bothers her when she jabs her left toe pick into the ice at the start. Carroll said 13 or 14 of his skaters had suffered stress fractures. He said figure skating boots should be made sturdier for high-impact jumping.

Todd Eldredge continued his recovery from an early-season injury on Tuesday by winning the short program at the U.S. national figure skating championships.

With an expected victory in Thursday's long program, Eldredge, 26, would win his fifth national title.

— Jere Longman

**American and Russian Win In Ocean Swim Off Perth**

Compiled by Our Staff From Dispatches

**PERTH, Australia** — Alexi Katiev and Erica Rose won the opening gold medals at the world swimming championships Wednesday in the five-kilometer open-water swims off Perth's northern beaches.

Akatiev, a Russian, swept past the Australian teenager Ky Hurst in the last 500 meters to win the men's gold medal.

Rose, an American, surged clear of the pack to capture the women's event in 59 minutes 23.5 seconds, 95 seconds ahead of Edith van Dijk of the Netherlands. Peggy Buchse of Germany was third.

The United States also won gold for the team event, calculated on the times of its best three finishers in the two events. Hurst, 16, went out hard in the men's race in the flat Indian Ocean swell in oppressive temperatures.

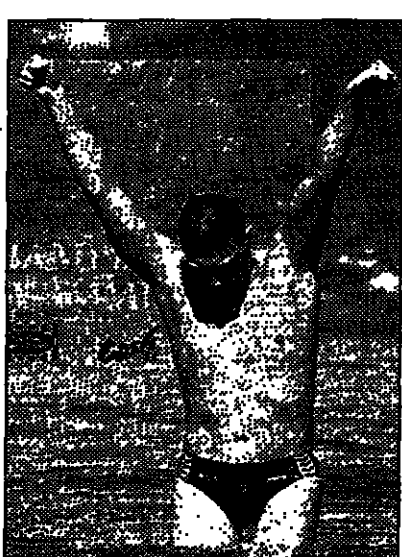
After that, he said, there wasn't "enough in my legs coming home." Akatiev won in 55:18.6. Hurst held on for silver in 55:24.9, and Luca Baldini of Italy was third in 55:37.4.

Rose, who is 15 years old and 5 feet, 4 inches (1.63 meters) tall, decided halfway that she had had enough of a rough patch of rials and would get out of their way.

"In the beginning it was really tough," she said. "There was pressure from a number of swimmers, so in the second half I just decided to take off." Brown Whitehead of Australia said other swimmers had tried to rip off her cap and goggles and tugged at her swim suit.

"I don't like being beaten around when it's sport," she said, "and sport is not about that."

The German team said it was seeking a court injunction against FINA, swimming's governing body, to force it to return World Championship accreditation to the German team manager, Winfried Leopold, a former East German official who has admitted he knew



Alexi Katiev emerging from sea after winning the 5-kilometer swim.

swimmers were being given steroids. The Germans said they were going to court because FINA had said it would reject an appeal. FINA said it would fight the action. (APF, Reuters, AP)

**Santa Disappoints French Cyclist**

By Samuel Abt  
International Herald Tribune

**PARIS** — As almost everybody but Louis Mattei expected, what he found in his Christmas stocking was a lump of coal.

"No Santa Claus," he admitted glumly Wednesday. The sponsor who was supposed to step forward with a check for 3 million-plus francs (\$500,000) for his proposed bicycle team remained up the chimney.

Mattei did not stay glum long. "What I should say is no Santa Claus — not yet. Not for the moment. I'm still waiting. It could happen today, tomorrow."

He had just walked in the door at home in a suburb of Paris for lunch. His wife, who took the call, explained the problem as the Matteis see it: "First it was Christmas, and everybody gets so involved in their own affairs then. After that it was winter vacation, no time to think about business. Then the New Year, still not the right time. Now everybody is so busy getting back in the swing, who has time to write a check and send a letter?" That makes two people who still be-

lieve Mattei can form a low-budget pro bicycle team for the season that starts in February. Among the unbelievers is the French Cycling Federation, which ruled last month that it will not accept his application because he has not guaranteed sufficient funds to pay his riders. No sponsor's check, no eighth French team.

"There's still time," Mattei insisted. "It can happen."

Meanwhile, the season draws night. Most of the seven French teams will journey to training camps next week to prepare for the first of the year's races in the south of France and in Spain.

He foresees an overall budget of 8 million to 10 million francs, about a third of what a major team costs. Thus far, he says, he has commitments for 5 million francs, mainly from the municipality of St. Denis, to cover 10 riders.

It all depends on his principal sponsor, the uncertain company whose name the unborn team will carry.

"We have until Friday," he admitted. "If my principal sponsor sends the check by then, we will go ahead."

If not? "Ah well," he said, "there's always next year."

**SCOREBOARD**

**BASKETBALL**

**NBA STANDINGS**

ATLANTIC DIVISION				
Team	W	L	Pct	GB
Miami	20	20	.500	0
New York	18	14	.563	2 1/2
New Jersey	17	14	.548	3
Boston	16	15	.516	3
Chicago	17	17	.500	3 1/2
Washington	18	17	.514	4
Philadelphia	9	22	.288	11 1/2
CENTRAL DIVISION				
Team	W	L	Pct	GB
Chicago	23	10	.697	0
Indiana	21	11	.656	1 1/2
Cleveland	20	14	.590	2 1/2
Atlanta	19	12	.613	3
Charlotte	16	13	.554	3 1/2
Memphis	15	17	.469	7 1/2
Detroit	15	18	.455	8
Toronto	4	29	.121	19
WESTERN CONFERENCE				
NORTHWEST DIVISION				
Team	W	L	Pct	GB
San Antonio	21	11	.657	0
Utah	21	11	.657	0
Houston	17	13	.563	3
Phoenix	20	12	.625	3 1/2
Vancouver	10	24	.294	12
Denver	6	27	.182	15 1/2
PACIFIC DIVISION				
Team	W	L	Pct	GB
Seattle	25	6	.810	0
L.A. Lakers	25	8	.758	0
Portland	20	12	.625	5 1/2
Phoenix	19	13	.594	5 1/2
Sacramento	14	20	.413	13 1/2
L.A. Clippers	8	25	.242	19 1/2
Golden State	7	22	.243	18
THURSDAY'S RESULTS				
Phoenix	29	16	22-14-1	
Indiana	24	18	19-15-1	
P. Clippers	5-13-1	18	McDermott 7-15-2	
14	Utah	2-12-1	15	Best 6-12-1
16	Portland	2-12-1	15	Best 6-12-1
17	Portland	2-12-1	15	Best 6-12-1
18	Portland	2-12-1	15	Best 6-12-1
19	Portland	2-12-1	15	Best 6-12-1
20	Portland	2-12-1	15	Best 6-12-1
21	Portland	2-12-1	15	Best 6-12-1
22	Portland	2-12-1	15	Best 6-12-1
23	Portland	2-12-1	15	Best 6-12-1
24	Portland	2-12-1	15	Best 6-12-1
25	Portland	2-12-1	15	Best 6-12-1
26	Portland	2-12-1	15	Best 6-12-1
27	Portland	2-12-1	15	Best 6-12-1
28	Portland	2-12-1	15	Best 6-12-1
29	Portland	2-12-1	15	Best 6-12-1
30	Portland	2-12-1	15	Best 6-12-1

**HOCKEY**

**NHL STANDINGS**

24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	<b>EASTERN CONFERENCE</b>
16 (Rangers, Chicago 11), Philadelphia 24 (Vn East), New York 23.	<b>ATLANTIC DIVISION</b>
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	W L Pct
16 (Rangers, Chicago 11), Philadelphia 24 (Vn East), New York 23.	Philadelphia 24 10 .706
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	New Jersey 24 13 .646
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Washington 19 16 .543
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	N.Y. Rangers 14 12 .538
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Florida 15 20 .430
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	N.Y. Islanders 12 24 .333
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Tampa Bay 5 24 .172
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	<b>CENTRAL DIVISION</b>
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	W L T Pct
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Montreal 23 15 .607
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Pittsburgh 22 18 .550
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	St. Louis 18 16 .524
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Chicago 18 20 .474
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Colorado 16 23 .410
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Edmonton 14 19 .424
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Toronto 13 21 .381
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	<b>PACIFIC DIVISION</b>
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	W L T Pct
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Colorado 22 9 .706
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Los Angeles 27 13 .677
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Anaheim 24 18 .571
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	San Jose 15 22 .405
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Calgary 12 24 .333
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Edmonton 11 22 .333
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Vancouver 10 24 .294
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	<b>THURSDAY'S RESULTS</b>
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Philadelphia 24 10 22-14-1
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Seattle 22 28 23-30-3
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Phoenix 11-13-3 35
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Nice 8-16-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Best 6-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn East), New York 23.	Portland 2-12-1 15
24-24, Anaheim-Rangers 8-16-1 Philadelphia 24 (Vn	

**WORLD CHAMPIONSHIP**

Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
Period: 1-Stage 4 (Hitchner) (pp), 1-2 Period: 3-Stage 1 (New York 10-9-77) Goalies: Phil Kessel, New York; Richmond, Carolina		1	1	2
N.Y. Rangers		1	1	2
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SPORTS

# Wildcats Win In Athens — Smith Beats His Old Team

The Associated Press  
The result was the same, only this time Tubby Smith came away with a victory.  
On Tuesday, Smith coached a game in Athens for the first time since leaving Georgia after last season to replace Rick

## COLLEGE BASKETBALL

Pinino as coach at Kentucky. His Wildcats beat a Bulldogs team on which his son, G.G. Smith, played, 90-79. Another son, Saul, played 10 minutes for the Wildcats.

During Smith's two seasons at Georgia, he led the Bulldogs to their first-ever consecutive 20-victory seasons, but he was winless in five tries against Kentucky, including a 95-68 drubbing in last season's Southeastern Conference championship game.

On Tuesday, Allen Edwards and Wayne Turner came alive in the second half as the Wildcats beat Georgia for the ninth straight time. Edwards scored all of his 19 points after halftime, and Turner had 14 of his game-high 20 points in the last two quarters.

Kentucky (13-2, 2-0 SEC) led 9-1 as Jeff Sheppard scored five points, and Georgia (8-6, 0-2) could never catch the Wildcats, trailing 35-26 at the half and 66-50 with 4:22 left. G.G. Smith, a junior point guard for Georgia, scored eight points, on 3-of-9 shooting.

Coaching against his son "was tough," said Smith. "I didn't think about it while the game was going on, but at the end it crossed my mind and crossed my heart that he was struggling."

Indiana 60, No. 17 Michigan 62 In Bloomington, Indiana, William Gladness scored six points in a 15-2 second-half streak that carried the Hoosiers to their upset victory over Michigan (12-4, 2-1 Big Ten). Indiana (10-5, 1-2) snapped Michigan's six-game winning streak.

Miami 76, No. 8 Connecticut 67 Lucas Barnes scored 14 points and sparked a second-half spurt as the Hurricanes (12-1, 5-0 Big East) upset Connecticut (13-2, 3-1).



The Nuggets' Tony Battie, left, reaching in for the ball against the Mavericks' Eric Riley in the first quarter.

# Mavericks Win a Match of the Meek

The Associated Press

The Dallas Mavericks have a one-game winning streak, and the Denver Nuggets must be envious.

The Mavericks, who entered the game on Tuesday night between the two teams with a 15-game losing streak, beat the Nuggets, who started the same with a 13-game losing streak, 108-90.

"Anytime you've lost as many as we had, and are playing a team worse than you, it's a must-win game," Dennis Scott said after he and the Mavericks downed the visiting Nuggets.

It was the first victory for the Mavericks since Dec. 4 — the night Don Nelson took over as the team's coach from Jim Cleamons, whom Nelson had fired.

Scott scored 28 points, shooting 5-for-8 from 3-point range and 11-for-15 overall. Michael Finley and Hubert Davis each added 20 points as Dallas surpassed 100 points for only the fifth time this season and kept the Nuggets winless in 17 road games.

Bobby Jackson scored 17 points and

LaPhonso Ellis and Eric Washington added 15 each for the Nuggets, whose record fell to 2-29. With seven more losses, the Nuggets would break the

## NBA ROUNDOUP

NBA record of 20 consecutive defeats in one season set by the 1993-94 Mavs.

Bulls 90, Celtics 79 Dennis Rodman grabbed 20 rebounds, and Toni Kukoc scored 9 of his 19 points during a decisive second-half run as Chicago won its 13th straight home game.

Lakers 100, Grizzlies 87 In Vancouver, Shaquille O'Neal had 25 points, 14 rebounds and 5 assists in his first start after missing 20 games because of an abdominal strain.

Cavaliers 100, Rockets 70 Charles Barkley was unable to play on an injured foot, and the visiting Rockets lost by 30 — their most lopsided defeat of the season. Barkley left the game with 3:27 remaining in the second quarter. X-rays on his right foot were negative, but the 11-time All-Star said the injury

could be a stress fracture of the middle toe. "Right now I can't play," Barkley said. "I can't do anything."

SuperSonics 102, Hornets 81 In Seattle, Aaron Williams scored a career-high 20 points, and Gary Payton added 18. The Sonics won their sixth in a row and their 12th in 13 games to improve their NBA-best record to 27-6.

Jazz 98, 76ers 95 In Salt Lake City, Greg Ostertag blocked 11 shots, and Karl Malone scored 21 points and hit four free throws in overtime. Allen Iverson banked in a 3-pointer with 2.8 seconds left in regulation time to tie the score at 88, capping a 21-5 run by Philadelphia in the fourth quarter.

Suns 81, Pacers 60 Rex Chapman scored 18 points as Phoenix snapped Indiana's 10-game home winning streak.

Kings 105, Clippers 89 In Sacramento, Corliss Williamson scored 24 points, and Michael Stewart tied a franchise record with nine blocks as the Kings chalked up their first three-game winning streak of the season.

# Don't Take Jordan For Granted, Fans

His Latest Record Is Truly Awe-Inspiring

By Thomas Boswell  
Washington Post Service

FIVE DAYS after Christmas, Michael Jordan gave every sports fan a present. Apparently, we forgot to open it, much less say, "Thanks."

That night in Minnesota, Jordan scored in double figures for the 78th straight game, breaking Kareem Abdul-Jabbar's mark. Jordan played down the streak, now at 79. He can't say, "See how great I am."

But we should. We all swore we would never take Jordan for granted again after his Airness returned to the NBA in 1995, following his two-summer retirement to the baseball minor leagues. We vowed we would cherish every season, knowing it could be his last.

But we've relapsed.

This really could be Jordan's last season. That's what he says, anyway. "I refuse to let all of this stuff ruin my last year," said Jordan last month, referring to the Bulls' turmoil.

Because of his ubiquitous advertisements, Jordan seems to be a presence everywhere in our lives except the one place where he actually has lasting value — on the basketball court.

As records go, Jordan's latest is one of the true beauties. Since 1985, he has had incredibly few bad games. He hasn't come out cold and stayed cold. Or felt sick and played like it.

Not once has some lucky defender put the handcuffs on him and held him to fewer than 10 points.

You want to interrupt. You want to say, "It's not hard to score 10 points in the NBA. What's the big deal?"

Yeah? What do these players have in common: Tim Hardaway, Alonzo Mourning, Clyde Drexler, Allen Iverson, Juwan Howard, Isiah Rider, Christian Laettner, Jeff Hornacek, Damon Stoudamire, Danny Manning, Wesley Person, Karl Smits and Rasheed Wallace?

They're all first or second on their teams in scoring, so they get plenty of shots. They're supposed to score. Yet, in the last month, each has been held to single digits. Jordan hasn't since 1985. These guys can't last four weeks.

So how remarkable is Jordan's latest record? An easy way to gauge the difficulty of a landmark is to see how many others have come close to it. For example, the marks of Joe DiMaggio's 56-game hitting streak and Lou Gehrig's consecutive games played grew in stature with the years because nobody had ever, or might ever, come close to them.

How many players have come within 250 games of Jordan's and Jabbar's mark? Nobody. Moses Malone is in third place at 526 games — more than three full seasons behind. Only four players got halfway to the Jordan-Jabbar level: Moses Malone, Karl Malone, Oscar Robertson and George Gervin.

Here's my favorite measure: On any sports list, look at the distance between 10th place and the best ever. The wider the gap, the more remarkable the record. Jordan is 499 games — more than six seasons — ahead of the 10th-place man on the double-digit streak list.

"The record Jordan just broke is amazing," said Seymour Siwoff, head of the Elias Sports Bureau and, perhaps, the senior guru among U.S. sports statisticians. "But these days, Jordan is just taken for granted. There's no acclaim for anything he does anymore."

"He has exceeded the dimensions of

his game. In team sports, the only people you can compare him to are Babe Ruth and Wayne Gretzky," Siwoff added.

In recent days, while young stars post their single-digit games, Jordan has been ringing up 39-, 41- and 47-point nights.

He is soaring to his 10th scoring title, averaging about 29 points a game, even without Scottie Pippen in the lineup.

For Air, it all looks so easy, even with his 35th birthday next month. But it isn't. Last month, he had a frigid night.

## VANTAGE POINT

shot 4 for 16, but still scored 11 points. Perhaps, subconsciously, his pride won't let him put one line in the book — not even one — that really stinks.

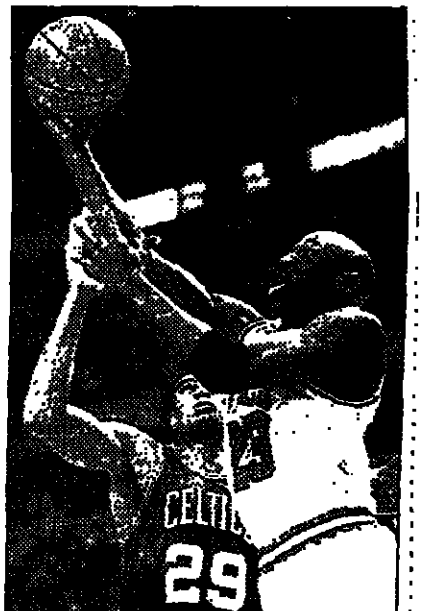
This week, the Chicago papers are, once again, full of speculation about whether Jordan will retire. Jordan says he'll only play again under three conditions — if he's a Bull, if Phil Jackson is his coach and if his Chicago team is a contender. Right now, Jackson and management are on different planets. Few dream Jackson will return. Pippen has demanded a trade. The morning line has Jordan retiring.

That could change. The usual well-adjusted '90s superstar retires about three times. Jordan's only used up one. He hasn't even tried to qualify for the PGA Tour or joined the Marines yet.

But what if No. 23 really has sufficient pride in performance — and pique at the Bulls bosses — to hang it up for good this spring?

How many more truly memorable records lie in front of him? Why let one slip past? Run your finger down the box scores in the paper. There they are — the mortals — against whom the occasional Ruth, Gretzky or Jordan is measured.

Where does 800-plus consecutive games of scoring in double digits stand among our records? It stumps us at first glance because there's no apple or orange quite like it. It's not about endurance, toughness, skill or luck — though it's about them all. It's about pride in performance, facing your own standards, every night. The longer we think about this neglected record, the more we realize how unique and distinctive it is. Like the man who set it.



Michael Jordan driving past Pervez Ellison of the Boston Celtics.

# Red Wings Change Goalies and Get a Shutout Victory

The Associated Press

Kevin Hodson, getting a rare opportunity to start in place of Chris Osgood in the Detroit Red Wings, earned his third career shutout as the Red Wings beat the Phoenix Coyotes, 2-0.

"It's exciting, it's like a hat trick for a player," Hodson said Tuesday night after his

## NHL ROUNDOUP

first shutout since Dec. 4, 1996. "It's a great thing individually for a goalie, but it takes a team effort."

Hodson stopped 28 shots. In his last start, he lost, 5-1, on Dec. 16 at San Jose.

The Red Wings had lost two in a row. They stopped the Coyotes' five-game winning streak.

Rangers 4, Hurricanes 2 In New York, the Rangers also got a strong performance from a reserve goalie. Dan Cloutier, subbing for the regular goalie, Mike Richter, won his first National Hockey League start as the Rangers beat Carolina.

Cloutier, who was called up from the minors last week and made his NHL debut Saturday at

Washington, stopped 26 shots by the Hurricanes. Brian Leetch scored two goals, and Wayne Gretzky had two assists for New York.

Leetch's goal at 7:41 of the first period marked only the fourth time in 23 home games that New York has scored first. The Rangers are just 8-9-6 at Madison Square Garden.

Flames 3, Avalanche 1 Calgary stopped Colorado's 10-game unbeaten streak, rallying for three goals in the third period for a rare road victory.

Calgary has the fewest road victories in the Western Conference (3), but won the season series from the Avalanche (3-1-1).

Penguins 4, Islanders 2 Pittsburgh sent the host Islanders to their eighth straight loss, their worst skid since an 11-game losing streak in March 1996.

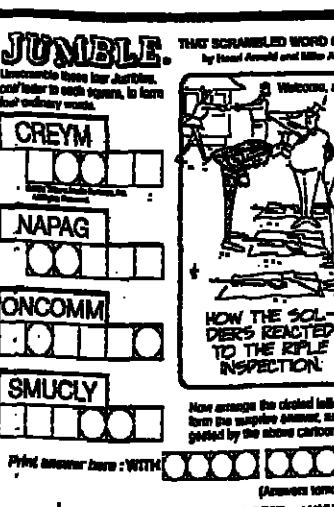
Capitals 5, Maple Leafs 3 In Washington, Adam Oates matched a team record with four assists in one period as Washington took a 4-0 lead against Toronto in the first 14 minutes.

Blues 5, Sharks 1 Craig Conroy scored 16 seconds into the game, and St. Louis never trailed at San Jose.



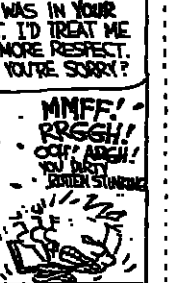
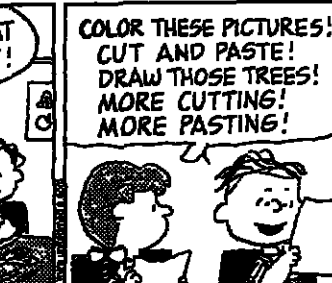
Bryan Berard of the Islanders being upended by a check.

## DENNIS THE MENACE

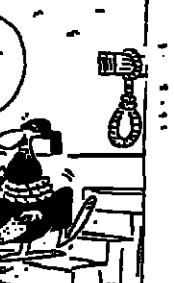
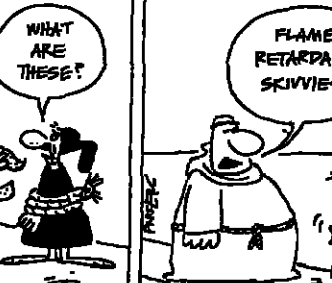
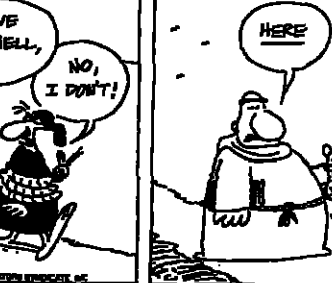
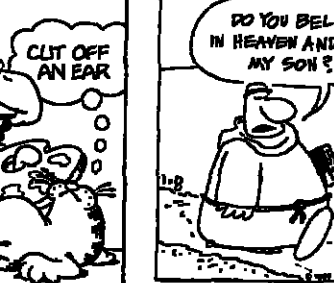
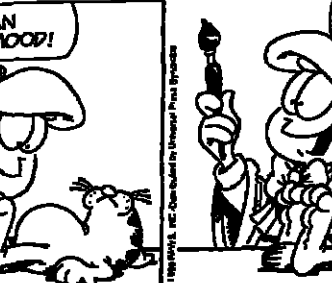


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Appears every Wednesday in  
The International Herald Tribune  
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in our London office  
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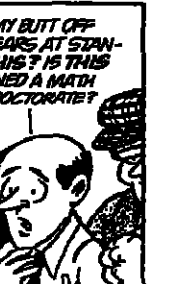
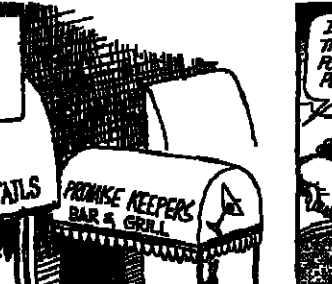
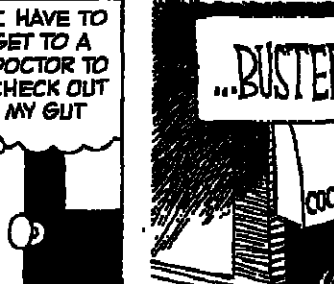
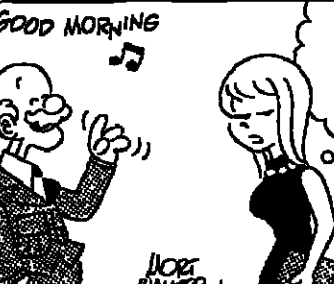
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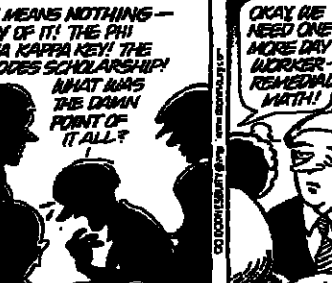
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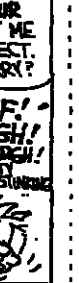
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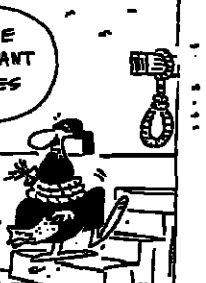
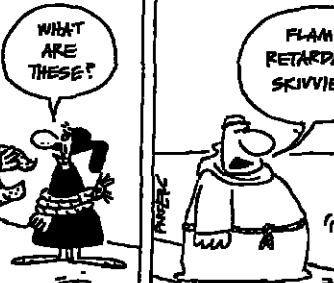
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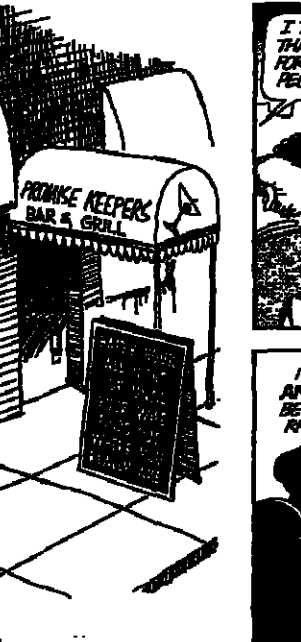
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## ART BUCHWALD

## A New Kind of Villain

WASHINGTON — I went to see the latest James Bond movie with my grandson, Adam. This is what grandfathers do these days instead of going fishing or sky-diving with their families.

I have seen James Bond up against the worst kind of villains, including Nazis, ethnic groups from the Far East and corrupt KGB devils who wanted to nuke the United States. I suspect that I kept going to see the Bond movies because eventually I expected 007 to triumph over evil as well as make out with the woman of his dreams.



Buchwald

With the end of the Cold War, and political correctness triumphing over good scripting, as I paid my \$7.50 I wondered whom Bond would destroy this time.

To my horror, in "Tomorrow Never Dies," I discovered that the archvillain is a media magnate. He is so despicable that he's willing to kill his own wife and finance a plot to start

a war between Britain and China just to have a scoop for his papers. Don't even think Rupert Murdoch.

I was so ashamed that Bond was up against a madman from my own profession that I buried my face in my hands every time he appeared on the screen. I stared with disbelief as he tried to destroy the good guys just so he could control all the newstand sales in China.

When we left the theater my grandson began to ask questions.

"Why would a newspaper publisher want to kill James Bond?"

"Adam, don't think that all media magnates spend their time trying to kill people or sink British warships. Most of the publishers I know have nice homes in Palm Beach and are not even armed with laser guns and automatic rifles."

"Won't the movie give the newspaper business a bad name?"

"No worse than it has now. My theory is that when they wanted the picture they wanted an adversary for Bond that the audience would truly hate.

Today's moviegoers are no longer intimidated by South American dictators or Russian generals. Recent surveys revealed that the public is still scared silly by the media. So the producer decided to model the archvillain after a media mogul because he knew that the audience would really root for Bond to destroy him."

"I was afraid that the newspaper guy would blow up the world," Adam admitted.

"He would have, but it would have been bad for circulation."

## Carnegie Hall Plans Gershwin Gala

NEW YORK — Carnegie Hall will open its 1998-1999 season with a gala Gershwin concert on Sept. 23, with the San Francisco Symphony performing under its music director, Michael Tilson Thomas, the hall's executive and artistic director, Judith Aron, said.

Al Jarreau and Audra Macdonald will be the guest soloists on the program.

## Ode to the Abstract: When Designer Met Dance

By Suzy Menkes  
International Herald Tribune

PARIS — Two muscled legs struggle to escape the constricting skirt. Arms flail above a chest puffed out with a lopsided balloon of padding. Then, suddenly, the male dancer flows across the stage, his battle with the vibrantly checked costume won.

By the time Merce Cunningham and his modern dance company took a standing ovation at the Paris Opera on Tuesday, those weird goiter-like protuberances had become part of the performance, as the costumes created forceful, sculpted shapes against the surgical white set.

Such grace flowering from awkwardness is a neat metaphor for the work of Rei Kawakubo, whose costumes were on stage in "Scenario." The Japanese designer is celebrating 25 years in fashion since she founded her Comme des Garçons label in 1973, but she has remained consistently, even stubbornly, avant-garde.

Making costumes that constrict the dancers' movement is as typical of her style as the asymmetric or randomly draped clothes that have kept her fashion shows at the creative cutting edge.

"My starting point was that I don't know anything about dance and I wanted to turn that into a positive thing," said Kawakubo. "When the natural movements of dance are repelled and refused, you get new forms. If you are too free, you don't find the creativity that comes from a self-given framework."

Kawakubo was speaking at her Paris headquarters, mostly in Japanese through her British-born husband, Adrian Joffe, but with a smattering of English, as when she said "details, the details," after the performance, to express frustration over tiny glitches to her perfectionism.

Cunningham himself, who has a long history of working with artists from Jasper Johns through Robert Rauschenberg, Frank Stella and Andy Warhol, praised the latest collaboration with Kawakubo.

"It was very interesting when she talked about space — I wasn't expecting that," he

said. He was referring to the designer's explorations of space and volume through the distorted body shapes — a concept developed from a controversial fashion show, in which the lumps were interpreted as symbols of fecundity or even cancerous tumors.

Other disputed collections have included an apparent anti-war statement, when army uniforms were deconstructed and remade; clothes misinterpreted as a reference to Aus-

chwitz uniforms, and, in the early 1980s, knitwear with deliberately gaping holes that were dubbed "Swiss cheese" sweaters.

The intellectual, abstract approach, coupled with Kawakubo's often baffling, inscrutability, have given her a cult following. A much copied innovation was to have artistic friends ambulating in her new designs rather than models.

Since 1981, when she first showed in Paris, Kawakubo has worked with other creative artists, who exhibit in her Tokyo flagship store, or create images for invitations and publications. A collaboration with Cindy Sherman seemed to rein-

force the feminism inherent in Kawakubo's vision, which is always about inner beauty rather than sexual projection.

Showcasing the extraordinary Japanese floral art of Yukio Nakagawa was an example of Kawakubo's approaching an artist whose work reflected her own budding interest in floral patterns and colors, after a decade using "three shades of black."

Another symbolic link between art and fashion will be moving the New York store from SoHo to the gallery area in Chelsea.

Yet when you ask Kawakubo if she is an artist, she rejects the tag.

"No!" she said. "Fashion is not art. You sell art to one person. Fashion comes in a series and it is a more social phenomenon. It is also something more personal and individual, because you express your personality. It is an active participation; art is passive."

In her creative process, Kawakubo is an artist, for she works from a concept that she concretizes by spinning, weaving and dyeing fabrics, then working with pattern cutters on shapes that are often "extremely abstract."



Designer Rei Kawakubo.



Merce Cunningham's dancers in "lump-and-bump" costumes by Kawakubo.

The snowy mille-feuille layers of the spring collection lie on the Paris worktable. Inspired by the idea of this downy lightness, the studio created superfine cotton wadding that gave clothes the airy prettiness of paper napkins lapping the body: 20 layers for the show, but only 10 for the stores.

This is a rare example of Kawakubo modifying her vision. The "lumps-and-bumps" collection arrived in store like that: stretch dresses complete with the cushion paddings of spare tires and dowager's humps. She is not, she admits, a "commercial" designer, and the balance between integrity and running a business is always an anxiety.

The hidden agenda is the exceptional strength of character Kawakubo has shown, both in sticking to her uncompromising path of "difficult" clothes and of challenging the conformity of Japanese society. She cannot pinpoint exactly the moment, as a teenager, when she felt the need to rebel. She went on to study literature at Tokyo's Keio University and came to fashion via textile advertising.

What next, now that, at 55, she is at the

pinnacle of her career? Another vigorous shake of the head. "I don't feel that 25 years is any kind of landmark — what I have to do is still ahead of me," she said. "I may have changed some people's perceptions so that they express themselves in a freer way, but especially in Japan, although I am respected on a personal level, I don't seem to have made much headway."

Yet Kawakubo's designs — especially tucking and asymmetric cutting — have had a noticeable effect on other designers' current collections, as though fashion were finally catching up. Her concept that there is beauty in the unfinished and the random, and that the spirit of clothing can flow from texture and fabric rather than cut and seam, is the accepted fashion currency of a younger generation.

But Kawakubo is modest. And never more so than when she is asked if she would be interested in working again with Cunningham, after her Quasimodo-like costumes received such thunderous applause.

"I should think he would want to find somebody better," she said.

## SCENES FROM A LIFE

## An 'Amiable Loser' Who Took His Act to Washington

By Lloyd Grove  
Washington Post Service

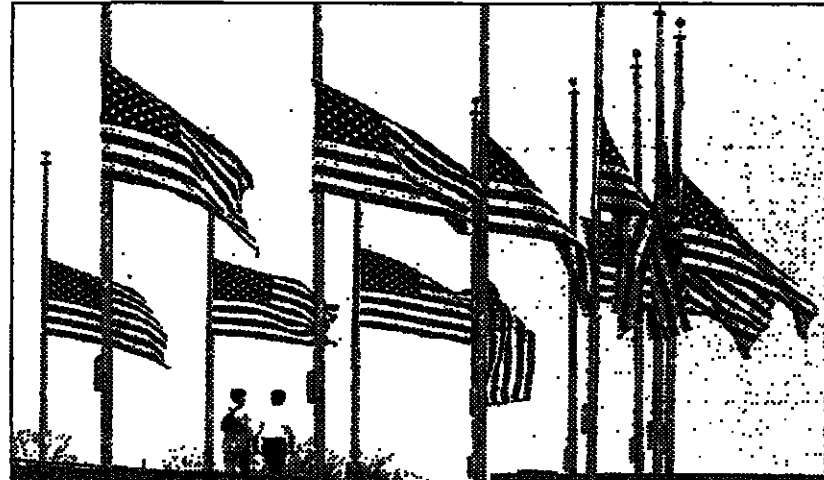
WASHINGTON — As a television entertainer in the early 1970s, Sonny Bono perfected the persona of an amiable loser. Alongside the tall and stunning Cher, who regularly zapped him with put-downs and barbs, he looked like a grinning simpleton with mouse-brown hair — short, ineffectual and slow on the uptake. It was a pose that begged people to laugh at him. It was a pose that made him rich and famous.

As a U.S. representative in the 1990s, he took the act to Washington and was just as successful. Using the skills that had served him well in show business, he tricked the powers that be into underestimating him. As soon as they did, he sprang his surprise: Sonny Bono was one smart cookie.

Often, Bono's graceful bumbling — what seemed at first like a patchwork of random thoughts — contained an observation of piquant clarity, often making Washington's power elite laugh at itself.

Last summer, he defused a tense meeting of House Republicans after the failed plot against Newt Gingrich, speaker of the House, by telling a seemingly irrelevant story about the quick decline of his show-biz career. He recalled finding himself shooting an episode of television's "Fantasy Island." He flubbed a line and was heckled by his enraged co-star, Herve Villechaise.

"Here I was being yelled at by a midge," he concluded. "It was God's way of telling me to move on, to put this behind me" — his advice for his fellow Republicans as well.



Flags at the Washington Monument flying at half-staff for Sonny Bono.

"He never tried to pretend he was some skilled orator or some skilled politician," Representative Mark Foley, Republican of Florida, recalled the day after Bono, 62, was killed in a skiing accident.

[There will be a public vigil Thursday in California, followed by a funeral the next day. Reuters reported from Washington. The four-hour vigil will begin Thursday at 4 P.M. local time at St. Theresa's Roman Catholic Church in Palm Springs. The funeral will be at the church on Friday at 11 A.M., with interment to follow. A spokesman said the Mass would be open to the public.]

"He never tried to portray himself as being adept at the art of deal-making in the grand Washington tradition," Foley said. "He always told me, 'Hey, this is a gig, man. The public, your audience, wants you to do the gig they're used to seeing.'"

"Just by virtue of having been Cher's sidekick,

Sonny came to Washington and there was an aura about him," said Representative David Dreier, Republican of California. "Obviously, everyone knew Sonny Bono, and most everyone had a preconceived notion of Sonny. 'Oh no, people thought, 'he won't do anything seriously.' And yet he turned out to be one of the most conscientious, first-rate people here."

Many of Bono's legislative initiatives in his three years in the House dealt with parochial interests — measures to tighten copyright protections for writers and composers, require labeling of imported fruits and vegetables, and, after a federal judge struck down California's anti-illegal-immigrant Proposition 187, make it more difficult for courts to overturn popular referendums. He also backed such conservative causes as banning flag burning and same-sex marriages, and supporting prayer in schools.

Bono's uncanny sense of timing — sharpened by decades as an entertainer — established his credentials as a Washington player, and swept aside most skeptics, when he was a newly minted freshman in January 1995. Bono's timing was the engine behind his legendary performance at the Washington Press Club Foundation dinner, a monologue skewering the power elite — most of whom happened to be sitting in the audience and loving every insult.

Representative Dennis Kucinich of Ohio, one of many Democrats Bono befriended, remembered a man "who was totally unpretentious and down to earth. When I met him I was immediately impressed by his humility. He had the common touch and the gift of humanity. . . . There will never be another like him."

## A Dreamer Who Grabbed the Ring in the Recording Industry

By Richard Harrington  
Washington Post Service

WASHINGTON — Sonny Bono was a music-industry ring rat who dreamed of making a living in the business. Instead, he made a celebrated career for himself and his Cher. From a first song that celebrated cookies to a handful of likable pop-rock chestnuts like "Needles and Pins," "I Got You Babe" and "The Beat Goes On," Bono briefly grabbed the golden ring, as have dozens of others before and after.

In fact, Bono had already spent a decade behind the scenes before "I Got You Babe" transformed him and Cher from nonentities into America's musical sweethearts. In the summer of 1965, no one had even heard of Sonny and Cher. By September they had five singles on the charts simultaneously, as a duo or as solo artists. "I Got You Babe," "All I Really Want to Do," "Just You," "Laugh at Me" and "Baby Don't Go."

It was "I Got You Babe" that captured the fans. The plain-spoken dialogue about love and generational identity about love and generational identity that Bono had learned from the legendary producer Phil Spector.

Spector loomed large in the story of Sonny and Cher. Bono had gone to work for the producer in the early '60s, working as Spector's general assistant, studio booker and session gofer. In 1963, Bono met 16-year-old Cherilyn Sarkisian LaPiere at a coffee

shop and she did backup singing on some of Spector's biggest hits, including the Crystals' "Da Doo Ron Ron," the Ronettes' "Be My Baby" and the Righteous Brothers' "You're Lost That Lovin' Feeling."

Meanwhile, Sonny and Cher had started singing together after she got nervous in the studio and asked him to join her. In 1964, Bono borrowed \$135 to produce his own session on an original song titled "Baby Don't Go." A minor hit in Southern California, it caught the ear of Atlantic's Ahmet Ertegun, who promptly signed Sonny and Cher to his Atco subsidiary. The first release was "I Got You Babe."

Bono, who dropped out of high school to work a variety of jobs, was drawn to the music business early on. While working as a stock boy in a grocery, he wrote his first song, "Koko Jo," inspired by a brand of cookies; years later, the Righteous Brothers would have a minor hit with it. Soon after, Bono landed a job as a record packer at Specialty Records, the Los Angeles R&B label that was home to Little Richard, Fats Domino and Sam Cooke.

At Specialty, Bono worked his way up the ladder as a writer, arranger and producer, most notably with Don and



Sonny and Cher with Chastity in the early '70s.

Dewey, and soul sensation Larry Williams, for whom he wrote straightforward R&B tracks like "High School Dance," "You Bug Me Baby" (the flip side of "Bony Moronie") and "She Said Yeah" (later covered by the Rolling Stones on "December's Children"). Unfortunately, Spector

folded in 1960 and Bono's own efforts at recording were stillborn. In 1962, he co-wrote "Needles and Pins" for British pop singer Jackie DeShannon, but it didn't become a hit until 1964, when the Searchers covered it.

Success didn't materialize until his union with Cher, and neither did a reasonable sartorial sensibility. While Sonny's 1965 solo hit "Laugh at Me" recounted his being refused admittance at a fashionable restaurant because of his outlandish dress, by 1966 Sonny and Cher had their own clothing line on sale.

By 1970, as their recording career declined, Sonny and Cher had become regulars on the Vegas cabaret circuit with an act mixing music and comedy. From 1971 to 1974, they took that formula to CBS television, starring in the popular "Sonny and Cher Comedy Hour," which also featured their daughter, Chastity.

While Cher went on to a successful career as both singer and actress, Bono largely retired from the music scene in the late '70s. But in 1991 he was the subject of a tribute album, "Bono-graph: Sonny Gets His Share," in which a half-dozen bands paid belated homage to his songwriting skills.

## PEOPLE

EARLY radio recordings by the Rolling Stones, hidden away for nearly 35 years, could hit the airwaves again if the BBC and the group can reach agreement. The BBC, which has the 1963-65 recordings in its archives, owns the recordings and the group owns the performances. "It is astonishing that no one has thought to release this before. It is outstanding — raw, unsophisticated and compelling," John Willan, head of music at BBC Worldwide, was quoted as saying in The Independent newspaper. . . . Mick Jagger has laryngitis, and the Stones were forced to cancel a concert in Syracuse, New York, on short notice. About 27,000 of the 39,000 seats were sold for the concert, part of the group's "Bridges to Babylon" tour. Stadium officials hoped to reschedule the show for the spring, and fans were urged to keep their tickets, but those who want refunds can get them beginning Friday.

About 40,000 tickets to visit the grave of Diana, Princess of Wales, were sold within 48 hours of going on sale in London. That's around a quarter of all the tickets up for sale, despite callers having to wait several hours to get through on the ticket hotline. Only 2,500 people a day will be able to see the grave at the Spencer family seat at Althorp, north of London, which will be open in July and August.

Mykelti Williamson, who played Tom Hanks' slow-talking, shrimp-loving army buddy in "Forrest Gump," was arrested on suspicion of stalking his ex-wife and stabbing her friend. Williamson spent the night in jail in Los Angeles and was released on \$180,000 bail. Cheryl Chisholm, his ex-wife, told police he had been stalking her. Williamson was also in "Waiting to Exhale," "Heat" and "Con Air."

Jimmy Buffett says he's got dibs on Margaritaville — not the fictional tropical paradise of his song, but the restaurant name. Emma and Neil Matthews, who run a restaurant in Kingman, Arizona, renamed their eatery Margaritaville more than 10 years ago, their daughter, Theresa Gump, said. But the couple got a letter last month from the singer-songwriter asking them to stop using the name, which is the title of Buffett's 1970s hit song and is owned as a trademark by Buffett. He owns Margaritaville restaurants in Key West, Florida, and New Orleans.

James Rubin, the U.S. State Department spokesman, is engaged to be married to the CNN correspondent Christiane Amanpour.

## Tony Winner Will Aid 'Capeman'

By Rick Lyman  
New York Times Service

NEW YORK — Producers of the new Paul Simon musical, "The Capeman," said that the director Jerry Zaks had been hired to help get the show into shape for its Jan. 29 opening.

Zaks will be working in "an unofficial capacity," said Dan Klores, one of the producers of the musical, based on the true story of Salvador Agron, a teenager from Puerto Rico convicted in the 1959 murder of two other teenagers. Klores said that Zaks would receive "some remuneration" for his services, though his name would not appear in the musical's credits.

The show's director and choreographer, Mark Morris, will remain in charge of the production and will attend all of Zaks' sessions with the cast in coming weeks, Klores said.

The show, which has been in previews



HEADS OFF — A worker dismantling the Statue of Liberty replica in Paris on Wednesday. It will be reassembled in Tokyo for "The Year of France."

The wedding is planned for some time this summer. Asked about the engagement, Rubin told the diplomatic press corps: "Well, I have no announcements for you today. But I'll accept wishes of congratulation."

The singer Olivia Newton-John, her husband, Matt Lattanzi, and two daughters have sold their five-level Malibu, California, house for \$7 million. The family is moving back to Australia for a while, where Newton-John will host a television show.

The first wife of Hergé, the creator of the "Tintin" comics, has left part of her art collection to Belgium's fine arts authority. The collection of Germaine Kleckens, who died at 89 in 1995, included lithographs by Max Ernst and Enrico Baj and portraits of herself, one by Hergé, whose real name was Georges Remi, died at 77 in 1983.

Lionel Hampton's 90th birthday is just over the horizon, but the durable jazz vibraphonist, pianist and drummer is off and running on a tour that is to take him and his orchestra to Switzerland, Austria and Germany through midmonth. A highlight of the tour comes on Monday in Vienna, where Hampton will receive the Austrian Cross of Honor for Science and Art, First Class.

since Dec. 1, had been scheduled to open Wednesday, but producers decided last month to postpone the opening by three weeks, to allow more time, they said, for rehearsal and the inclusion of new songs and other elements.

The producers also acknowledged at the time that the director Mike Nichols, a friend of Simon's, and the director Nicholas Hytner, a friend of the show's stage designer, Bob Crowley, had seen preview performances and offered suggestions for improvements.

"The Capeman" is Simon's first attempt at a Broadway musical. Zaks, a four-time Tony winner (for "House of Blue Leaves" in 1986, "Lend Me a Tenor" in 1989, "Six Degrees of Separation" in 1991 and "Guys and Dolls" in 1992), is also set to direct the American premiere of "The Cripple of Inishmaan," by the British playwright Martin McDonagh, at the Joseph Papp Public Theatre in March.

January 8, 1998